

3-1-2013

## Managing Activities at Wineries: Building and Sustaining a Place-Based Brand

Ethan Seltzer  
*Portland State University*

Mark Bernard  
*Portland State University*

JP McNeil  
*Portland State University*

Lori Parks  
*Portland State University*

Let us know how access to this document benefits you.

Follow this and additional works at: [http://pdxscholar.library.pdx.edu/usp\\_fac](http://pdxscholar.library.pdx.edu/usp_fac)

 Part of the [Entrepreneurial and Small Business Operations Commons](#), and the [Urban Studies and Planning Commons](#)

---

### Citation Details

Seltzer, Ethan; Bernard, Mark; McNeil, JP; and Parks, Lori, "Managing Activities at Wineries: Building and Sustaining a Place-Based Brand" (2013). *Urban Studies and Planning Faculty Publications and Presentations*. Paper 1.  
[http://pdxscholar.library.pdx.edu/usp\\_fac/1](http://pdxscholar.library.pdx.edu/usp_fac/1)

This Technical Report is brought to you for free and open access. It has been accepted for inclusion in Urban Studies and Planning Faculty Publications and Presentations by an authorized administrator of PDXScholar. For more information, please contact [pdxscholar@pdx.edu](mailto:pdxscholar@pdx.edu).

# **Managing Activities at Wineries: Building and Sustaining a Place-Based Brand**

February, 2013

Ethan Seltzer, Project Lead  
Toulon School of Urban Studies and Planning  
Portland State University  
seltzere@pdx.edu  
503-725-5169

Project Team and Co-Authors:

Mark Bernard  
JP McNeil  
Lori Parks



# EXECUTIVE SUMMARY

---

## THE PROJECT

In the fall of 2012, the Willamette Valley Winery Association, Oregon Winery Association, Oregon Department of Land Conservation and Development, and Oregon Department of Agriculture requested the development of information needed to help inform discussions regarding the replacement for the soon-to-sunset HB 3280, signed into law in 2011. The charge for this work was to investigate the following questions:

- ❑ How have wine regions permitted and managed a range of uses and activities at wineries, some of which are indirectly connected to the making or selling of wine?
- ❑ How can wine region land use regulations contribute to sustaining the brand for a region?
- ❑ How can farmland winery codes best maintain compatibility with other crops and farming activities?

To address this charge, a literature review was conducted, and case studies for the Napa, Sonoma, Santa Barbara, and Walla Walla wine regions were developed.

## LITERATURE REVIEW – SUMMARY FINDINGS

The literature reviewed provides several useful insights:

- 1) Terroir matters. Terroir is also much more than soil, and refers to physical characteristics, production methods, and place-based culture and history, and the intersections between them.
  - 2) Making the connection between land and wine is important to the reputation of the wine made in the region, and to consumer interest in that product. The more that consumers know, the more important geography becomes.
  - 3) Protecting the reputation of the product includes protecting the reputation of the wine region, and in this regard, Oregon's protection of farm land through land use planning is important both for ensuring the right to farm and sustaining the nature of the working landscape.
  - 4) Wine tourism matches artisanal products with authentic experience of place. By making the connection during the visit, consumer loyalty is reinforced and strengthened. Good times create the basis for good sales over the long term. However, creating the "positive cellar door" experience requires not just good wine but a commitment to service and creating relationships with consumers, something that may or may not be of interest to growers and vintners.
  - 5) Tourists buy more than wine. Wine-related products – stemware, cork screws, winery ball caps, etc. - help to reinforce and capture the connection between place and experience.
  - 6) Tourists seek more than the winery experience when they are touring. Connecting the wine experience to nearby and appropriately located opportunities to enjoy resorts and restaurants matter. As has been said, "It takes a village ..."
  - 7) Quality is the hallmark of a wine region reputation, and a wine region with a reputation for quality can enable regional producers to experiment and thereby distinguish themselves within the region and from producers in other regions. Wine is like art or music, not corn or soybeans. Variation is a good thing, and consistency can sometimes be a killer.
  - 8) Ultimately, establishing and sustaining the reputation of a wine region requires collaboration and partnerships between producers, regulators, and the local economy. All must be engaged and represented. Reputation management is a governance problem.
  - 9) There is no magic. Direct marketing activities create a gray area between activities which are clearly wine-related and those that are not, and between those that enhance access to the region and build its reputation and those that overload the region and diminish its reputation. The management of this gray area can occur to some degree through regulating design and operations at wineries, but it can't rely alone on these techniques alone.
  - 10) Managing the quality and reputation of a wine region is the product of an ongoing conversation within the region, led by the industry. It is a long-term investment, like the vines themselves, and is more accurately viewed as the legacy of a career, not the product of a vintage or year.
-

## CASE STUDY RESEARCH – SUMMARY FINDINGS

Case study research confirmed and strengthened many of these findings from the literature:

- 1) In all cases, counties rely on their comprehensive plans and zoning codes to address winery issues. Not all counties have winery-specific comprehensive plan elements, but all have or will be addressing wineries in their zoning regulations.
- 2) In all cases, counties grant permits to allow uses in agricultural zones that may pose conflicts to primary goals for agricultural land preservation and the stability of the agricultural sector. Those permit processes provide an opportunity for public involvement and for neighbors to have a role in working out permit requirements. In Napa, vineyards and wineries have become the only remaining commercial agriculture of any scale. When asked about conflicts with other agricultural producers in Napa, the response was largely confusion with the question as it simply didn't apply in that context. In Sonoma, there remain a range of agricultural uses and offsite impacts, though not county-wide, are pronounced in some places, particularly with respect to traffic. In general, however, County representatives in Sonoma report little conflict between wineries and other agricultural producers. As in Santa Barbara County, most reported conflicts in Sonoma are with rural residents, most of who are not engaged in production agriculture. In Santa Barbara rapid growth of vineyards and wineries has elicited calls for stricter regulation of winery events seen as inconsistent with the county's traditional ranching culture. That county is currently engaged in a review of its winery ordinance because of concerns regarding the impacts of events at wineries on surrounding rural residential neighborhoods. In Walla Walla, traditional agricultural producers were initially wary of the wineries emerging in their midst. However, the relatively small population in the county, its distance from major population centers, the fact that there are still only 1600 acres in grapes, and the relative youth of the industry and the effort that vintners have made to engage other agriculturalists has enabled the county to not encounter conflicts to date.
- 3) In all cases, enforcement occurs through a complaint-driven process.
- 4) Only Napa incorporates what might be considered a quality standard in their ordinance. Napa requires that permit holders must source 75% of their grapes within the county, something of great interest to the industry and relatively easy to monitor. In all cases, counties address issues of operations (events, processing, marketing, etc.) and design (parcel size, coverage, setbacks, etc.) in their permitting processes.
- 5) There is a broad range of activities allowed at wineries. Napa is relatively restrictive, prohibiting restaurants and requiring that marketing, educational, and other events directly serve purposes related to selling and marketing wine. Sonoma, at the other end of the spectrum, views any event at a winery as an opportunity to build the business, and allows weddings and other non-wine events, to name a few, if, in the course of the permitting process, it becomes clear that the site and the area can bear the impacts of the proposed level of activity.
- 6) Many permit requirements are relatively easy to evade and difficult to monitor. For example, in Napa most new wineries are able to offer tastings and tours only by appointment. However, a quick phone call from the parking lot can create an appointment. Requirements based on the relationship between those involved in the event and the winery (for example, "family") are impossible to monitor and enforce. Restrictions on parking can be managed with busses. In essence, it's difficult to distinguish through regulations alone whether what is being created is a winery or more fundamentally a tourist destination. In Napa, planners believe that the two most effective regulations are the 75% grape source rule and the regulation of the ratio of space for accessory uses versus space for production purposes.
- 7) In Napa, the 1990 Winery Definition Ordinance was brought before the county after being crafted by growers, vintners, the county chapter of the Farm Bureau, and tourism interests. Subsequent ordinance development has occurred through county processes but with the ongoing involvement of those interests. In Sonoma, anger associated with the off-site impacts of wineries, particularly traffic, resulted in the election of two county supervisors on anti-winery platforms.

## ANALYSIS

**I**n sum, high quality wine is a place-based product, and it offers consumers a means for connecting both with the place that the wine comes from and with the lifestyle and culture associated with wine making and consumption. As the literature shows, place sells, and sustaining and stewarding both physical resources and sense of place are essential to creating and sustaining powerful, quality-based brands. Oregon's commitment to preserving farmland and sustaining the working landscape is a huge resource for Oregon's wine industry, and wine tourism builds support for public policy seeking to serve those goals.

Most land use regulation in the US does not address wine quality. Instead, it is designed to either manage off-site impacts or encourage the growth of tourism and visitor amenities. Though wine tourism depends on the working landscape of vineyards and wineries, it creates conflicts with all farm zone producers. Bringing consumers into contact with the wine and where it comes from is essential, but managing the way that happens and the scale at which it occurs is equally essential.

Even in Napa, though, where wine grapes have become a monoculture and where an important segment of the economy of the county depends on wine, the regulations are not, by themselves, sufficient. Again, as we've seen in the literature, managing the place, which when it comes to wine means managing the brand, has to be a collaborative effort among public, private, and nonprofit sectors, merging industry with government with markets. Regulation is necessary, but by itself it is not nearly enough to secure the future for a wine region. Creating regulations to manage land use is not the same thing as creating a strategy for managing the quality of the wine and the brand for the region. Achieving larger aspirations, in plans or associated with the values of a community, requires more proactive and targeted strategies and investments.

Regulations should be directed either at issues that get resolved within the development process, or things that can, and will, be monitored and assessed on a regular basis. To some degree, all approaches will depend on complaints to trigger reviews and needed remedial action. And, as we've seen both in the literature and the case studies, the dialog that needs to occur in wine regions must be viewed as an ongoing conversation involving all sectors, and led by the industry. Consequently, wine industry stakeholders should plan for and organize to participate in an ongoing rather than one-time policymaking process. Whether that process is best carried out through state-level legislation or county-level comprehensive planning is another matter.

Finally, viewing the management of a place-based brand as a governance (not "government") issue is particularly useful as a means for sharpening the focus on wine quality, ultimately the deciding factor in long-term market success. The challenge is to consciously make quality, and access to the use of the appellation or AVA designation, something that isn't necessarily a given by virtue of location alone.

As the literature notes, quality pushes the focus towards long-term investments and commitments, towards shared values rather than what some have termed industrial production. The Napa case makes the point that brand stability and allegiance on the part of winemakers has been easier to sustain because the wine is regarded as high quality, and the prices paid to producers recognize that. Ultimately, the wine region needs to decide which direction it wants to go. Whether to be Sonoma or Napa is the choice before Walla Walla and other emerging wine regions in the west.

In sum, we believe that this work suggests that, as in Yamhill County, the discussion needs to use state policy regarding the preservation of farmland, sustaining the working landscape generally, and commitments to the right to farm to frame more local conversations at the scale of the AVA. Though the State has an important role to play in codifying broad goals and policies to support the emergence of the wine region, just as it does with all uses of agricultural land, it needs to support and promote an ongoing dialogue needed to effectively govern the brand close to where the wine is produced and the impacts felt. This is an exciting moment in the history of Oregon's wine industry. It's not so much a crossroads as an evolution of thought and action. Given the quality of the wine, and of the place, our expectations for the quality of the governance should be high.



# TABLE OF CONTENTS

---

**Introduction**.....2

**Literature Review**.....4

**Case Studies** .....16

**Synthesis and Recommendations** .....18

**Appendix – Case Studies:**

– Napa .....22

– Sonoma .....56

– Santa Barbara .....100

– Walla Walla .....130



# INTRODUCTION

---

**T**he Willamette Valley Winery Association, Oregon Winery Association, Oregon Department of Land Conservation and Development, and Oregon Department of Agriculture asked us to develop information needed to help inform discussions regarding the replacement for the soon-to-sunset HB 3280. HB 3280, signed by the Governor in August of 2011, provided a means for defining and regulating wine-related and non-wine-related events occurring or proposed to occur at wineries and vineyards in Oregon, often in exclusive farm use zones. Our charge was to investigate the following policy issue:

How have wine regions permitted and managed a range of uses and activities at wineries, some of which are indirectly connected to the making or selling of wine? How can wine region land use regulations contribute to sustaining the brand for a region? How can farmland winery codes best maintain compatibility with other crops and farming activities?

To address this charge, we employed a two-part strategy:

- 1) Literature Review – a review of the wine tourism and farm zone regulation literature to identify work already done on or related to this topic. In particular, to focus on the ways in which “commercial uses” are permitted in conjunction with farming in various types of zoning districts.
- 2) Wine Region Case Studies - Using available information from on-line sources and phone interviews of planners, vintners, and others, the following questions will be explored:
  - ❑ Profile of the region: What is produced, by who, for how long? What is the region known for? Is there a regional brand? How are the wineries and vineyards organized or represented? Are there institutional forms of collaboration among growers/vintners? How is land use in the region managed?
  - ❑ What are the current land use provisions governing the siting of wineries, tastings, events, facility rentals, and other activities at wineries and vineyards? What is the history of those provisions?
  - ❑ What is the geographic distribution of activities in the wine region? Are there differences in activities related to winery or vineyard size, products, age, location, or other distinguishing factors?
  - ❑ What have the outcomes been? Have the regulations worked? Created new or unanticipated benefits or problems?

- ❑ Are there issues, problems, or gaps associated with the current pattern and practice of land use regulation in the wine region? Are there initiatives to address those issues through changes in regulations or other permitting? Who is doing what?

As we report, below, not all crops are the same. Some commodity crops depend less on location than others for their identity, market development, and brand. Wine, interestingly and particularly “New World” wines, increasingly utilized place-based marketing strategies in contrast to the more generically branded commodity crops or products whose identity is not linked to specific geographies (for example, consumers don’t expect to associate terroir with corn, wheat, and soybeans the way that they do with wine). Consequently, we focused the literature review that follows specifically within the wine literature, rather than on the large and diverse literature on farmland preservation and regulation more generally.

Additionally, we chose four wine regions for case study development: Napa, Sonoma, Santa Barbara, and Walla Walla. Wine regions are found in many states, and as the wine industry expands, it’s not unlikely that they will ultimately be found in every state. However, Napa is regarded as a leader, both in time and in quality, among America wine regions. Sonoma provides a nearby and accessible comparator, while Santa Barbara exemplifies a California wine region that grew rapidly and is experiencing some growing pains. Walla Walla represents a fast-growing region that has developed a well-crafted strategy for the emergence of winemaking and grape growing. The four case studies are appended to this report and discussed below.

This report is presented in three parts. We begin with the literature review, and the lessons learned from that research. We then present the four cases and the lessons learned from them. This report concludes with a synthesis of the findings from the literature review and the case studies, along with our recommendations for how this information might be applied to the development of a replacement for HB 3280 in the next legislative session.



# LITERATURE REVIEW

---

**F**armers have long been engaged in a range of direct marketing activities that have challenged the notion of what constitutes an “agricultural use.” At issue are the stated desires, on one hand, to preserve and protect farming and farm land, and on the other, to enable, often to encourage farmers to diversify their income by adding new activities to those already associated with growing and processing crops.

As Branan points out, the growing range of “agriculture” purposes defined by the courts have brought with them a far wider range of activities than those easily associated with what were previously regarded more narrowly as “farm” purposes. (2004) Farmstands, hay rides, festivals, tasting rooms and other activities have all been developed as strategies for diversifying farm income. However, their presence in farm zones has created conflicts with both farming practices and with agricultural land preservation objectives.

This has required courts to define what is meant by “farming” and “agriculture,” and has led legislatures to create pre-emptions in state law for the regulation of agricultural practices by local planning and zoning actions. As Branan concludes, after reviewing case law concerned with these issues, “The key to protecting the rights of farmland owners to earn their living by working their land is a clear and encompassing statement of legislative intent that outlines the reasonable flexible needs of farmers to remain economically viable in a rapidly changing agricultural economy.” (Branan, 2004, page 41)

In wine regions and other rural agricultural areas, many producers have sought out new ways to add value to their products and capitalize on the pastoral settings in which their farms reside (Retzlaff 2004). Support for value-added agriculture comes from many sectors, including the agriculture industry, local governments and environmental groups. Making farming profitable enough for farmers to remain on the land not only preserves farmland from conversion to other uses and supports the farming industry, it also aids in slowing urban encroachment and supporting local economies (Clemens 2004).

Anglin (undated) usefully reviews the ways in which the State of California and counties in California, and a handful of other states, regulate activities at wineries. As Anglin notes, consistent with other authors, that wine has a strong connection to the land where the grapes are grown, and the land and the wine draw visitors. Direct marketing to consumers visiting wineries is increasingly important, particularly for smaller producers,

and enables sales and income growth independent of chasing a decreasing number of distributors. However, this creates tension in wine country as tourists seek a range of services associated with resorts and restaurants, and potentially at odds with agricultural growing and processing activities in farm zones.

Anglin surveys the regulatory responses of California counties who desire to preserve agriculture, on one hand, while enabling the industry to grow and serve tourists on the other. In California, the regulatory responses are either winery-specific, as with the Napa County Winery Definition Ordinance, more generally associated with the provisions in county zoning codes directed at agricultural zones or areas, or associated with the requirements of the California Environmental Quality Act (CEQA) for addressing environmental, cultural, and climate impacts of activities requiring special use permits. While a number of California counties have well-developed, winery-specific ordinances requiring special use (conditional use) permits for winery development and associated activities (Napa), a number have no winery-specific ordinances (Sonoma), or specifically exempt small producers (less than 15,000 cases annually in the case of Sacramento County) from ordinance requirements for use permits.

In addition, he finds that winery-related regulations tend to take one of two general forms, addressing either operations (management of activities) and/or design (size and location of winery facilities). Operational restrictions typically address:

- ❑ **Grape Source:** Napa and Santa Barbara establish standards for local sourcing in regulations. Sonoma, on the other hand, leaves it undefined but signals that grapes used should be grown “primarily on-site or in the local area,” a difficult standard to interpret let alone enforce.
- ❑ **Tours and Tastings:** In Napa, no new winery can have public tours and tastings, and can only offer them by appointment. However, this is impossible to enforce as appointments can be made via cell phone from a winery parking lot.

- ❑ Marketing and Hospitality Events: Napa restricts events to those allowed pursuant to the required use permit and only for education and development of consumer or trade about the wines being sold at the winery for retail. Often, no weddings or rehearsal dinners would be allowed, and in some cases, counties specify that food service can only charge for cost recovery, thereby preventing the establishment of restaurants.
- ❑ Sale of non-wine Items: In Napa, wine-related items can be sold. In Sonoma, one winery was selling furniture.

Common design restrictions include:

- ❑ Parcel Size: minimums for new wineries either specifically or de facto and tied to production.
- ❑ Setbacks: usually from streets and property lines.
- ❑ Coverage: maximum lot coverage by facilities, and max facility size.
- ❑ Accessory space and uses: tasting rooms and accessory uses as percentage of production area. Sonoma, for example, allows assessment on a case-by-case basis as long as it doesn't harm the rural character of the area. Sonoma, like Napa, has grandfathered permissions for pre-existing wineries. For example, the Francis Ford Coppola winery in Geyserville (Sonoma County) has three restaurants, two pools, and poolside cabins for rent, and is located on land zoned commercial.

Anglin concludes that, "In all counties surveyed, wineries face more regulation than other agricultural processing facilities. These regulations seek to maintain agricultural processing as the main function of a winery while recognizing that hospitality activities are necessary to sell wine." (Anglin, Undated, page 9)

## WINE TOURISM AND AGRICULTURAL USE

Carlsen (2004) defines wine tourism as "visitation to vineyards, wineries, wine festivals and wine shows for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors." Wine tourism is considered cultural tourism, a more refined type of tourism that holds less appeal to the casual or mass tourist (and is often more expensive). The search for rural authenticity has been intensifying, and today's tourist seeks travel opportunities

such as those offered by rural wine tourism to satisfy this desire (Quadri-Fellittia and Fiore 2012).

Similarly, Thach (2007) has identified ten reasons to visit a wine region:

- ❑ taste wine
- ❑ gain wine knowledge
- ❑ experience the wine setting and meet the wine makers
- ❑ be in a rural setting (beauty)
- ❑ matching food and wine (culinary tourism)
- ❑ have fun
- ❑ enjoy romance of wine culture
- ❑ appreciate architecture and art
- ❑ ecotourism
- ❑ enjoy the health aspects of wine

Wine sales go up with purchase of anything wine related: hats, corkscrews, glasses, etc., and successful wine tourism requires strong cooperation and partnership with rural communities. This is frequently not easy, requiring that offsite impacts are addressed, environment and rural beauty are protected, and regional branding and advertising is implemented, including at a minimum:

- ❑ a regional website and brochure;
- ❑ wine trails and signage;
- ❑ partnerships with wine tour operators; and
- ❑ passport programs.

Thach concludes with eight emerging wine tourism trends:

- ❑ experiential programs
- ❑ wine villages and education centers
- ❑ innovative wine events and ties to other distinctive local products and events
- ❑ ownership shares of vintages offered directly to consumers
- ❑ special tours
- ❑ partnerships and collaboration (cross marketing) with other rural tourism activities, including spas
- ❑ interactive websites

She concludes:

“Keeping abreast of wine tourism trends around the world, and adopting those that emphasize the unique qualities of a particular wine region, are important methods to keeping the wine tourism destination vital and exciting.” (Thach, 2007, page 6)

Inherent in the burgeoning wine tourism industry, then, is a tension between the growth of the industry and preserving the “winescapes” that wine tourists consider an integral part of the experience. The setting and surroundings of the wine region are important components of the “authentic” experience sought after by wine tourists; however high quality service, products, and activities are key parts of that experience. The wine tourist seeks balance in ambience, atmosphere, surrounding environment, regional culture and cuisine, local wines, and accommodations.

It is this tension, between the need for commercial activities, in the form of retail and restaurant establishments, overnight accommodations, and events, and the need for preservation of farm lands, rural communities and environmental resources that calls for increased planning and regulation for wine regions. For the wine tourism sector to remain viable, the charm and the character of the surrounding region must be preserved (Brown and Smith 2010). Enticing urban visitors to rural areas can lead to over-commercialization, traffic congestion, excessive visitation, and environmental damage to surrounding land and natural resources (Martin and Williams 2003), threatening the integrity of destinations and creating conflicts between farmers, vintners, environmentalists, and local governments.

For the wine maker and winery owner, winery visits are critically important for the viability of the operation, with proprietary tasting events and comprehensive wine tour packages (including fine dining and overnight accommodation) as key components for drawing more visitors to wine regions and sustaining the industry (Carmichael 2005). The challenge lies with finding an appropriate balance between offering activities and amenities (including tastings, events, tours, meals, and accommodations) in rural environments while simultaneously preserving the “authentic” rural landscape. Note that a key characteristic of wine tourism is that it is dependent on the nature of the wine region or district being visited. Viewed another way, not all activities occurring in wine regions are necessarily wine tourism just because they take place at a winery or vineyard.

The intersection of these competing interests has been illustrated in several wine regions of California over the past 40 years. Friedland (2009) examines the impacts of winemaking in Napa and Sonoma Counties through the lens of rural sociology, which typically has been concerned with the question of “what is rural?” He

concludes that over the past 40 years, the wine industry has transformed the Napa Valley into a primarily exurban or suburban environment, dominated by agribusiness. Sonoma County, though not overrun by the wine industry yet, appears to be headed that way. Though both counties could be considered successful by a number of measures, including production of wine and number of annual visitors, the impacts of traffic and urban encroachment have raised concerns that the area has lost the authenticity and rural ambience that typically draws wine tourists.

To preserve this authenticity, strategies must be in place to avoid damage to “winescapes” from the wine tourism industry itself. Incorporating sustainability tourism precepts into wine tourism can help to keep tourism in balance with the capacity of the wine region to host it. To do so, tourism planning is necessary to limit the risk that tourism development will be unregulated and formless or implemented in a haphazard, and inefficient manner. This would be likely to lead to a range of negative economic, social and environmental impacts. Tourism planning at the state and local level is crucial for sustainable tourism as most tourist regions rely on preservation of the characteristics of the region continue to attract tourists (Williams 1998).

Pohl (2011) addresses questions that have arisen as to whether wine making and wineries are truly agricultural uses and finds a legal basis for protection of wineries and ancillary uses in Right to Farm laws. Wineries are a unique enterprise, often incorporating agricultural production with onsite commercial ventures, and therefore localities often dismiss the underlying agricultural function of the winery and regulate it as simply commercial activity. Pohl sees the ancillary uses of winery operations, including on-site sale of wine-related products, food service, and hosting events, as a natural outgrowth of the industry that should be considered an allowed use on winery lands. The move to limit or restrict commercial uses could severely hamper a winery’s ability to grow and expand.

Pohl concludes that these uses promote the preservation of farmland by engaging the broader public in them, restore a connection to historical, pastoral roots, and provide economic vitality in struggling rural areas. Pohl concludes that it is important that wineries are expressly defined as an agricultural operation in state law.

Retzlaff (2004) examined policies in place across the U.S. that aim to support agritourism and rural economies while also preserving farmland and rural environments. Many jurisdictions address agritourism uses through zoning ordinances, though most use a piecemeal approach and address different uses individually. Some jurisdictions have taken a more comprehensive approach and created regulations that seek to balance the needs of the agritourism industry, surrounding property owners, and the desire to preserve the rural character of the agricultural district. A key feature of these policies is that the tourism business must be subordinate to agricultural uses. Strategies employed nationwide include limiting the number and size of events, limits to food service, restricting hours of operation, traffic control measures, restricting tourist-related activities to the farm owner or operator, limiting the sale of goods produced off-site, and limited the percentage of land that can be used for non-agricultural purposes.

Wine regions around the globe have adopted policies to balance the needs of the industry with the preservation of rural lands and culture. The Veneto region of Italy has seen growth in the wine tourism and agritourism sectors, but has also put policies in place that attempt to limit the impacts. Farm and winery tourism is heavily regulated in Italy and farming must remain the primary activity on the farm with tourism as a secondary activity. Permits are available for a number of onsite commercial activities that range from the sale of light snacks, to full service restaurants, to onsite accommodations where tourists can take a “farm holiday.” The level of activity allowed is tied to the size of the farm operation; however, to obtain a permit, farmers must be licensed. Licensing requires two years of farm experience, 100 hours of training, and passing an oral exam. Training includes courses on law, farm management, financial accounting, hygiene and sanitary issues, transportation and processing products, and hospitality. Farm and winery tourist operators are also encouraged to connect their operations with local communities and culture to support the local economy (Clemens 2004).

Closer to home, Peter Williams examined policies that support wine tourism in British Columbia (2003) and the American Pacific Northwest (2006), with a focus on policies that relate primarily to the production and sale of wine as well as tourism uses on winery and agricultural

lands. British Columbia has an Agricultural Land Reserve policy in place to preserve prime farmlands; however, to promote wine tourism, the provincial government has adopted policies that allow winery development on agricultural lands, sale of wine-related merchandise on-site, winery tours, and promotional events, provided at least 50% of the production of bottled wine comes from grapes grown on the winery farm. This ensures that wineries are agriculturally based and supportive of the province’s grape growers. On-site accommodations are also allowed, though limited to bed and breakfasts with three bedrooms or fewer in the main farm dwelling. For B.C. wineries, the availability of appropriate liquor distribution licenses pose the greatest challenge to on-site services for tourists.

Williams determined that, of policies related to wine tourism in the Pacific Northwest, British Columbia is the most supportive of the industry. Washington state’s Growth Management Act policies restrict many commercial uses on agricultural lands, but also leave many decisions up to local and regional bodies, leading to haphazard policies throughout the state. The Washington State Liquor Board also places strict limitations on serving alcohol on-site at wineries. As for Oregon, though statewide land use policies place many restrictions and limitations on uses that impact wine tourism, the comprehensive nature of planning in the state allows for community input at the local level. A study of Yamhill County found local support of the wine making and wine tourism industries coupled with a concern for agricultural land preservation. An integration of policies that met all both objectives led to a balance for a healthy wine industry while meeting commercial needs for tourists in local communities.

Williams’ overarching conclusion is that wine regions must have policies in place that enable winery operators to develop tourism opportunities, while avoiding overdevelopment that is detrimental to the pastoral character of the region. Policies that specifically address wine tourism and agritourism development need to be crafted at the state and regional level, rather than ad hoc or incrementally. Appropriate policies should address issues of compatible land use, increased traffic, and infrastructure needs. Policies should be developed that prevent overdevelopment and over-commercialization of the regions, as this may lead to a cumulative degradation of the region’s natural qualities.

The need to strike a balance between the wine making and wine tourism industries while preserving the pastoral character and authenticity of wine regions is well noted in the literature. The very ‘ruralness’ of wine regions can be threatened or enhanced by wine tourism, though the rural character is itself a critical commodity for

branding a wine region. The need for retail and service establishments necessary to the wine tourism experience seems clear (Dawson 2011); however little research exists on the capacity of local, rural communities to bear the brunt of commercial activities and potential benefits for those communities.

Poitras and Getz (2006) identify a community focus as necessary for sustainable tourism planning and development, taking into account social and cultural issues, business and economic considerations and environmental impacts as components to inform planning for sustainable tourism. This perspective also allows cities and towns within the wine region to carry a large share of ancillary activities, reducing the need for commercial and tourist uses on agricultural lands while preserving the character of the region and supporting local economies.

### **The Land, The Industry, and the Brand**

In contrast to the tourism literature, there is another avenue that sheds light on the motivation for this project, namely the literature on the development of the wine industry itself, and the relationship between producers and consumers. This literature focuses on the role for “brands” in the wine industry. Charters (2009) refers to the American Marketing Association definition of a brand as “...a name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.” (Charters, 2009, page 284)

However, as he points out, this is a producer-oriented definition, reflecting producer concerns for competitiveness, and the defense of competitive advantage. A more balanced definition would reflect and incorporate consumer perspectives. From the consumer perspective, a brand is a reflection of a consumer’s core values and as therefore a means for adding value for a consumer. Here, a brand is a means for creating competitive advantage for a product through differentiation, and understanding that brands operate as metaphors for desirable and ultimately monetized experiences.

Charters notes that wine brands are shaped by both the producers and by the consumers. Wine is associated with the reputation of the origin for the product, both winery and wine region, and with the nature of its consumption, the romance and style that go with choosing, drinking, and sharing wine. Consequently, wine brand “meaning” may not be solely controlled by the brand owner. In fact, he notes that in Europe, consumer loyalty is frequently

more strongly directed towards a regional style than to a particular individual brand of wine.

Part of the challenge for branding wine is that it is an agricultural product and therefore subject to variability. More traditional, branded products become known not for variability but for consistency. However, wine, like art or music, is associated with variation borne of climate, conditions, and choices, and variation actually becomes part of the brand itself. Wine is viewed as an artisanal rather than industrial product, where variation becomes part of the experience associated with the product but where high quality takes on even greater importance.

Charters concludes that wine must exhibit stylistic but not necessarily product consistency, since it is similar to other products valued for aesthetic or creative attributes, rather than simply standardization, consistency, and predictability. And, as with tourism generally, variation, the unexpected, and unique experiences are sought by consumers, particularly if consumers can become involved in shaping the brand and the way it’s perceived. From this perspective, wine brand management needs to anticipate building in innovation and learning to encourage consumer interaction with and co-creation of the brand.

In earlier work, Thode and Maskulka (1998) identified place-based marketing as an emerging trend in the wine world. As with Charters, these authors found that brands could be sustained if they could be tied to features that couldn’t easily be duplicated or appropriated, like location. They distinguish between place-based marketing, associating products with specific places, and country of origin marketing, a more general association often more strongly connected to institutions than places. Smithfield hams and Bordeaux wines are clearly examples of place-based brands. The work of the European Commission to specifically identify, in law, place-based associations for certain products takes this a step further by protecting the brand from those that would try to appropriate it.

### **Terroir and Place**

The foundation for a defensible wine brand is “terroir,” which most identify as being a combination of physical, cultural, and production/stylistic characteristics. They state that, “A wine’s mystique (or romance, if you will) – that capacity to elevate the most common of experiences to a moment of pure hedonistic pleasure – is largely acquired from a single factor: the land from which the grapes were harvested.” (Thode and Maskulka, 1998, page 381) In this case, land is a proxy for the range

of unique qualities that distinguishes one wine region from another.

However, there remains a tension between planting and producing for the long-term, in support of the place-based brand, matching variety to the soil, or whether to grow and pursue the greatest quantity for the highest available price. As they note:

“Choosing to plant those varieties that produce the best price/quantity/expense tradeoff in the near-term may not necessarily produce the best price/quantity/expense tradeoff in the long-term if the varietal(s) planted is not optimally matched up with the soil characteristics of the vineyard. Thus, a strategic viewpoint driven by a brand equity perspective more appropriately leads the grower to sacrifice near-term profitability in the expectation of greater long-term profitability.” (Thode and Maskulka, 1998, page 389)

Hence, pursuing a place-based strategy has clear advantages from the standpoint of competitiveness, but it requires long-term commitments that may be difficult to control or enforce. Pursuing a place-based strategy requires a relatively high degree of cooperation, over time. For a place-based strategy to succeed, they propose the following as essential elements:

- ❑ evaluate the distinctive characteristics of the land
- ❑ translate these characteristics into product mix that has greatest potential for achieving distinctive quality
- ❑ analyze tradeoff between increasing output and unit price
- ❑ pursue a production scheme based on these considerations

develop a marketing plan that effectively communicates perceptible quality distinctions to consumers (Thode and Maskulka, 1998, page 394)

Further, they note that consumers will seek out a place-based product only if it provides a better and more distinctive experience than a non-place-based product. As Santos, et al, note, not all wine consumers have the same degree of interest in or attachment to terroir or appellation. (2006) Both they and Dopico (2002) find that the appellation of origin is becoming a marketing strategy of choice for a wide range of food products (buy local, slow food, etc.), and that the more consumers know about a product like wine, the more they care about where it comes from.

Further, Dopico notes that when no discernable brand exists, appellation of origin can be used as a means for developing one. His work was directed at beef,

not wine, but in the European context, appellations are defined for a wide range of products. We have only to consider the experience of Oregon Country Beef to see the ideas he writes about, and by extension the role that appellation can play as a marketing strategy for a range of artisanal products.

Similarly, Overton and Heitger, in a case study of the emergence of the Gimblett Gravels wine region in New Zealand, demonstrate the acquisition of value by a place previously dismissed as being of poor agricultural quality, and the subsequent regulation of the place and the soils to sustain the value. (2008) In their case study, they show that there is an important interplay between the market (consumers), government regulation, and the social construction of the place as a narrative or story on the way to creating a successful and lasting wine region. These factors work together in a way that is far more successful than if they were pursued individually. In this instance, terroir both imparts a particular and discernible character on the wine produced from it, and also involves the creation of stories/myths about a region and its wine to both protect the resource and promote and protect the brand.

Charters returns to these themes in a later paper (2010) where he describes terroir as having three important attributes:

- ❑ As a physical concept: the entire natural environment of the vineyard. Vines respond to climate, topography, and soil and these three elements provide the physical context for the grapes.
- ❑ As an interpretation of a place: here terroir refers to a place rather than as a varietal reference, less geographical than historical and cultural. In this case, terroir is a counter to globalization and standardization, as is emblematic of the slow food movement.
- ❑ As a marketing device: associating sense of place with the wine. This grants legal and administrative power to a site or region, enhances the reputation of the wine and can't be appropriated or copied if it's adequately protected. Here, terroir is the intersection of the physical and the mystical, and a component of marketing.



From this, he develops a model for the use of terroir in marketing (Charters, 2010, page 4):

*Refereed paper – 5th International Academy of Wine Business Research Conference, 8-10 Feb. 2010 Auckland*

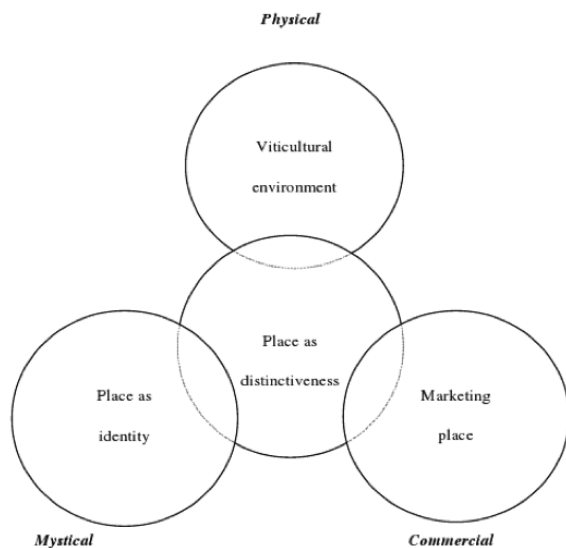


Figure 1: The interlocking concepts of terroir

#### Developing terroir in marketing

He refers to wine of and from a place, associated with terroir, as “nonbranded” wine. He contrasts this with branded wine, which is blended from grapes from many places. Here, terroir is used as a strategic device to focus on the tension between inauthentic and authentic, industrial and artisanal, large and small scales, and to present wine associated with terroir as being of higher quality and different. Terroir is associated with the collective memory of the wine over time, and creates expectations for how the wine, how wine, should taste.

In this way, wine gets associated with a sense of place not easily disrupted or copied by competitors. Further, studies have shown that region of origin is more important to consumers than brand or vintage, but again, it depends on which consumers you’re referring to. Nonetheless, terroir provides identity, and identity is key for creating brand awareness and loyalty, and for enabling consumers to join with the region through the wine.

As Bruwer and Johnson (2010) discuss, place or terroir-branded wine comes from actual places, and links to these real places enhances the experience for the consumer. Atkin and Johnson (2010) report on work demonstrating that consumers associate quality with appellation, or the ability to assert a link to an appellation. Bombrum and Sumner (2003) demonstrate that region of origin has a positive impact on price, but not all regions have the same impact.

In sum, the nature and quality of the place is of great importance to the reputation and value of the wine. It arises out of the interplay of physical, cultural, and institutional factors, and it carries information of value to core wine consumers. Further, it is the result of the interplay of the state, markets, and the evolution of the culture associated with vineyards and wineries in particular places.

#### Governance

Patchell (2008) specifically addresses the challenge of establishing this interplay by viewing wine country regulation as a governance challenge. He begins by noting the paradox of wine territories: the reputation of the territory depends on the collective actions of winegrowers there, but winegrowers in a territory must also differentiate themselves from each other in order to compete in the market. For consumers, the essence of a valued wine territory is the association of a reputation for excellence with a diversity of estates. Hence, the reputation of a territory is a function of both physical characteristics of the place complimented by a diversity of excellent wineries and estates.

Further, the reputation of a wine region enables consumers to search for products without incurring great cost. In a crowded wine market, all but the core consumers are overwhelmed by the range of choices and options. Consequently, building and sustaining the place as the brand (for example, “Willamette Valley”) helps to elevate all producers from the place.

However, excluding producers not committed to the place brand is exceedingly costly, and improper exploitation of the reputation by one user imposes costs on all: “Without rules to limit users, to grant rights and impose responsibilities, the resource – the reputation of the territory – is open to free riding and degradation.” (Patchell, 2008, page 2367) In this case, the rules come from a range of sources including the growers themselves. Furthermore, Patchell finds that, they must be generated according to local needs and conditions, and not supplied in generic ways by the state or other, larger institutions.

Patchell points to the need to develop self-governance within wine regions as a means for generating rules that are both appropriate and that can most effectively and efficiently protect the reputation of the region. Here, the reputation of the region is its “commons,” and the challenge is to create relationships locally that recognizes the collective interest in the quality of the reputation, and

that work against actions taken by some to overuse the resource that is the reputation. He writes:

“Insofar as the commons is used to produce a commodity, exploiters remain price takers and the pressure to exploit the commons remains high. Differentiation eliminates the assumption of homogenous commodities. Its market power enables exploiters to upgrade qualitatively, add value, and reduce expansion or intensification of production. Estate winegrowers by proselytizing terroir, both the physical and the human components, have created a model of collective action that transforms governance of the commons into a respect for internal variety.” (Patchell, 2008, page 2381)

His work is based on that of the Nobel laureate, Elinor Ostrom. His case studies of French wine regions leads him to propose the following success factors for effective self-governance and collective action (after Ostrom, page 2368):

- ❑ accurate, low-cost information about benefits and costs of maintaining the resource and its reputation
- ❑ appropriators of the resource live in the area for a long time and do not heavily discount the future
- ❑ appropriators of the resource are highly dependent on the resource
- ❑ rules fall between extremes of unanimity, at one end, or control by a few (or bare majority), at the other, thus avoiding high transaction or high deprivation costs
- ❑ the group is relatively stable
- ❑ group size is relatively small and homogeneous
- ❑ participants develop norms of reciprocity and trust for use as initial social capital
- ❑ participants develop accurate and low-cost monitoring and sanctioning
- ❑ there exists a common understanding of potential benefits and risks associated with maintaining status quo versus change of rules

Here, external rules imposed by the state or other regulatory authorities are found to be helpful in promoting internal relationship building and self governance. In his French case studies, he found that governing councils created with a low “representative to represented” ratio, and incorporating direct votes by all on appellation regulations were highly important. In particular, they were the basis for keeping an eye on the future for the entire territory and the long-term production of wine from it.

A key issue for reputation is quality control. It’s tricky to on one hand sustain the reputation for quality by seeking consistency in the product, and on the other not stifle innovation. However, damage to the reputation of a region has long-term consequences. In St-Emilion, appellation status for a winery is reapplied for regularly through a tasting process that maintains its legitimacy through transparency, the availability of multiple attempts, and the publication of results. The result has been rising quality and reputation over time. In contrast, in Blaye there was a rush to commodity production that brought down the reputation for all producers:

“Despite and as evidenced by their relative success, the evolution of St-Emilion and Blaye reveals that estate winegrowers do not make territories simply because they share physical resources, a local identity, or even an image. Rather, they build a collective reputation associated with their locality to provide them with a platform to market their own differentiated product. Furthermore, not only must territories and their reputations be constantly managed to respond to the conflicts of interests and free-riding dangers inherent to collective action, but also this internal governance is driven by evolving market and regulatory demands.” (Patchell, 2008, page 2380)

# CONCLUSIONS

---

In conclusion, the literature we have reviewed provides several useful insights:

- 1) Terroir matters. Terroir is also much more than soil, and refers to physical characteristics, production methods, and place-based culture and history, and the intersections between them.
- 2) Making the connection between land and wine is important to the reputation of the wine made in the region, and to consumer interest in that product. The more that consumers know, the more important geography becomes.
- 3) Protecting the reputation of the product includes protecting the reputation of the wine region, and in this regard, Oregon's protection of farm land through land use planning is important both for ensuring the right to farm and sustaining the nature of the working landscape.
- 4) Wine tourism matches artisanal products with authentic experience of place. By making the connection during the visit, consumer loyalty is reinforced and strengthened. Good times create the basis for good sales over the long term. However, creating the "positive cellar door" experience requires not just good wine but a commitment to service and creating relationships with consumers, something that may or may not be of interest to growers and vintners.
- 5) Tourists buy more than wine. Wine-related products – stemware, cork screws, winery ball caps, etc. - help to reinforce and capture the connection between place and experience.
- 6) Tourists seek more than the winery experience when they are touring. Connecting the wine experience to nearby and appropriately located opportunities to enjoy resorts and restaurants matter. As has been said, "It takes a village ..."
- 7) Quality is the hallmark of a wine region reputation, and a wine region with a reputation for quality can enable regional producers to experiment and thereby distinguish themselves within the region and from producers in other regions. Wine is like art or music, not corn or soybeans. Variation is a good thing, and consistency can sometimes be a killer.
- 8) Ultimately, establishing and sustaining the reputation of a wine region requires collaboration and partnerships between producers, regulators, and the local economy. All must be engaged and represented. Reputation management is a governance problem.
- 9) There is no magic. Wineries, like many agricultural enterprises, are seeking to broaden their income stream by engaging in direct marketing to consumers. Direct marketing activities create a gray area between activities which are clearly wine-related and those that are not, and between those that enhance access to the region and build its reputation and those that overload the region and diminish its reputation. The management of this gray area can occur to some degree through regulating design and operations at wineries, but it can't rely alone on these techniques alone.
- 10) Managing the quality and reputation of a wine region is the product of an ongoing conversation within the region, led by the industry. It is a long-term investment, like the vines themselves, and is more accurately viewed as the legacy of a career, not the product of a vintage or year.

## REFERENCES:

- Anglin, Rob. Undated. "Winery Land Use Controls: The Tension Between Agricultural Tourism and Preservation" Self-published for use in Stanford University "Wine and the Law" class, 2011, contact at: htralaw.com
- Atkin, Thomas and Ray Johnson. 2010. "Appellation as an indicator of quality" *International Journal of Wine Business Research* 22(1):42-61
- Bombrun, Helene and Daniel A. Sumner. 2003. "What Determines the Price of Wine?" AIC Issues Brief Number 18, January, 2003, Agricultural Issues Center, University of California
- Branan, R. A. 2004. "Zoning Limitations and Opportunities for Farm Enterprise Diversification: Searching for New Meaning in Old Definitions" An Agricultural Law Research Article, National Agricultural Law Center, Accessed December 29, 2012 at: [http://nationalaglawcenter.org/assets/articles/branan\\_zoninglimitations.pdf](http://nationalaglawcenter.org/assets/articles/branan_zoninglimitations.pdf)
- Brown, Carroll A. and F. Ruth Smith. (2010). Wine tourism: A serious leisure approach. *Journal of Service Science*, 3:1, 29-34
- Bruwer, Johan and Ray Johnson. 2010. "Place-based marketing and regional branding strategy perspectives in the California wine industry" *Journal of Consumer Marketing* 27(1):5-16
- Carlsen, Jack. (2004). A review of global wine tourism research. *Journal of Wine Research*, 15:1, 5-13
- Carlsen, J. and S. Charters, eds. 2006. *Global Wine Tourism: Research, Management and Marketing*, Cambridge, MA: CAB International
- Carmichael, B. (2005). Understanding the wine tourism experience for winery visitors in the Niagara Region, Ontario, Canada. *Tourism Geographies*, 7(2), 185–204.
- Charters, Steve. 2009. "Does a brand have to be consistent?" *Journal of Product and Brand Management* 18(4):284-291
- Charters, Stephen. 2010. "Marketing Terroir: A conceptual approach" Refereed paper, 5th International Academy of Wine Business Research Conference, 8-10 February, 2010, Auckland, NZ
- Clemens, R. (2004). Keeping Farmers on the Land : Adding Value in Agriculture in the Veneto Region of Italy (Vol. 2600). Retrieved from <http://www.card.iastate.edu/publications/dbs/pdffiles/04mbp8.pdf>
- Dawson, H., Holmes, M., Jacobs, H., & Wade, R. I. (2011). Wine tourism: Winery visitation in the wine appellations of Ontario. *Journal of Vacation Marketing*, 17(3), 237–246.
- Dopico, D. C. 2002. "Analysis of Brand Equity Supplied by Appellations of Origin: An Empirical Application for Beef" *Journal of International Food and Agribusiness Marketing* 14(3):21-34
- Friedland, W. H. (2009). Agriculture and rurality: Beginning the "final separation." *Rural Sociology*, 67(3), 350–371.
- Goddard, J. (2009). Landscape and ambience on the urban fringe: From agricultural to imagined countryside. *Environment and History*, 15(4), 413–439.
- Martin, Elisa and Peter Williams. (2003). Directions in British Columbia wine tourism policy. *International Journal of Contemporary Hospitality Management*, Vol. 15 Iss: 6 pp. 317 – 323
- Overton, J. and J. Heitger. 2008. "Maps, markets, and Merlot: The making of an antipodean wine appellation" *Journal of Rural Studies* 24:440-449

- Patchell, Jerry 2008 "Collectivity and differentiation: a tale of two wine territories" *Environment and Planning A* 40:2364-2383
- Pohl, Katherine. (2011). Fruit of the vine: Understanding the need to establish wineries rights under the right to farm law. *Penn State Law Review*, 116:1, 223-251
- Poitras, Lisa and Daniel Getz. (2006). Sustainable wine tourism: The host community perspective. *Journal of Sustainable Tourism*, 14:5, 435-448
- Quadri-Felitti, D., & Fiore, A. M. (2012). Experience economy constructs as a framework for understanding wine tourism. *Journal of Vacation Marketing*, 18(1), 3–15.
- Retzlaff, R. (2004). Agritourism zoning down on the farm. *Zoning Practice*, 2-6.
- Santos, C. R., M. C. Blanco, and A. G. Fernandez 2006 "Segmenting Wine Consumers according to their involvement with appellations of Origin" *Brand Management* 13(4/5):300-312
- Thach, L. (2007). Trends in wine tourism. *Wine Business Monthly*, 14((8)), 86-89.
- Thode, Stephen and James Maskulka 1998 "Place-based marketing strategies, brand equity and vineyard valuation" *Journal of Product and Brand Management* 7(5):379-399
- Warner, K. D. (2007). The quality of sustainability: Agroecological partnerships and the geographic branding of California winegrapes. *Journal of Rural Studies*, 23(2), 142–155.
- Williams, Peter W. and Karen Graham and Louella Mathias. (2006). Land use policy and wine tourism development in America's Pacific Northwest. In Carlsen, J. and S. Charters 2006 *Global Wine Tourism: Research, Management and Marketing*, Cambridge, MA: CABI International
- Williams, Stephen. (1998). *Tourism Geography*. Routledge, London



# CASE STUDIES

---

The case studies prepared for this report use the same basic outline:

- 1.0 Profile of the wine region
- 1.1 Geographic Setting, demographics, geology and hydrology, climate
- 1.2 History of the wine industry
- 1.3 Brand
- 1.4 Organization, representation, and collaboration about growers/vintners
- 1.5 Characteristics of wineries and growers
- 1.6 Geographic distribution of wineries and wine-related activities
- 2.0 Land use management and winery regulation
  - 2.1 Land use management – state
  - 2.2 Land use management – county
  - 2.3 Land use provisions governing vineyards and wineries
- 3.0 Outcomes of regulations
  - 3.1 Effectiveness
  - 3.2 Benefits
  - 3.3 Problems
  - 3.4 Initiatives to address issues
- 4.0 Conclusions and References
- 5.0 Appendices and attachments, if any

Though a number of states address wineries at the state level (for example, Delaware and New York) it is often in the context of broader agritourism development or other economic development-related activity. In these cases, state interests are largely focused on taxation, regulation of alcohol, and/or the encouragement of the growth of the tourism sector through encouraging activities for tourists taking place on farms. Oregon, due to its statewide approach to land use planning, is perhaps more unique in this regard and better-positioned than most, since state-level policy making has a direct and profound impact on local land use planning activity. However, as in Oregon, county-level comprehensive planning and zoning is often the scale at which winery

and vineyard activities are directly regulated in the US. Consequently, we chose to focus on counties and the experience at the county level for purposes of this report.

In consultation with DLCD and the WVWA, we chose four case study counties:

- ❑ Napa County – one of the oldest and best developed winery regions, with a reputation for high quality and a relatively long history of attempting to host, encourage, and manage a wine industry.
- ❑ Sonoma County – like Napa, having a well-established industry but using a different regulatory approach and having a more diverse overall agricultural sector.
- ❑ Santa Barbara County – subject to the same California environment as Napa and Sonoma, but in a different region of that state.
- ❑ Walla Walla County – a young wine region, relatively speaking, and distant from major metropolitan population centers.

Case study materials were collected from a range of sources, including the internet, county offices, media sources, and academic literature. In addition key informants in government and in the wine industry or associated with the wine industry were contacted by telephone and interviewed. All four of these case studies are attached in the appendix to this report.

There are several cross-cutting themes that have emerged from this work:

- 1) In all cases, counties rely on their comprehensive plans and zoning codes to address winery issues. Not all counties have winery-specific comprehensive plan elements, but all have or will be addressing wineries in their zoning regulations. Walla Walla doesn't specifically address wineries in their comprehensive plan, but they have adopted specific zoning regulations for wineries (attached below as part of the Walla Walla case study). Napa and Santa Barbara have adopted very specific winery ordinances, and Sonoma is working on specific policies to address activities at wineries.
- 2) In all cases, counties grant permits to allow uses in agricultural zones that may pose conflicts to primary goals for agricultural land preservation and the stability of the agricultural sector. Those

- permit processes provide an opportunity for public involvement and for neighbors to have a role in working out permit requirements. In Napa, vineyards and wineries have become the only remaining commercial agriculture of any scale. When we asked about conflicts with other agricultural producers, the response was largely confusion with the question as it simply didn't apply in that context. In Sonoma, there remain a range of agricultural uses and offsite impacts, though not county-wide, are pronounced in some places, particularly with respect to traffic. In general, however, County representatives in Sonoma report little conflict between wineries and other agricultural producers. As in Santa Barbara County, most reported conflicts in Sonoma are with rural residents, most of who are not engaged in production agriculture. In Santa Barbara rapid growth of vineyards and wineries has elicited calls for stricter regulation of winery events seen as inconsistent with the county's traditional ranching culture. That county is currently engaged in a review of its winery ordinance because of concerns regarding the impacts of events at wineries on surrounding rural residential neighborhoods. In Walla Walla, traditional agricultural producers were initially wary of the wineries emerging in their midst. However, the relatively small population in the county, its distance from major population centers, the fact that there are still only 1600 acres in grapes, and the relative youth of the industry and the effort that vintners have made to engage other agriculturalists has enabled the county to not encounter conflicts to date.
- 3) In all cases, enforcement occurs through a complaint-driven process. Napa, alone, has an auditing function that they use to review a random sample of permits on an annual basis. However, in Sonoma, even when the planners are aware of permit violations, enforcement only occurs upon receipt of a complaint. Walla Walla, being a very young wine region, has yet to receive a complaint, though the primary tourism serving facilities and businesses are, at this point, found within the city of Walla Walla.
  - 4) Only Napa incorporates what might be considered a quality standard in their ordinance. Napa requires that permit holders must source 75% of their grapes within the county, something of great interest to the industry and relatively easy to monitor. In all cases, counties address issues of operations (events, processing, marketing, etc.) and design (parcel size, coverage, setbacks, etc.) in their permitting processes.
  - 5) There is a broad range of activities allowed at wineries. Napa is relatively restrictive, prohibiting restaurants and requiring that marketing, educational, and other events directly serve purposes related to selling and marketing wine. Sonoma, at the other end of the spectrum, views any event at a winery as an opportunity to build the business, and allows weddings and other non-wine events, to name a few, if, in the course of the permitting process, it becomes clear that the site and the area can bear the impacts of the proposed level of activity.
  - 6) Many permit requirements are relatively easy to evade and difficult to monitor. For example, in Napa most new wineries are able to offer tastings and tours only by appointment. However, a quick phone call from the parking lot can create an appointment. Requirements based on the relationship between those involved in the event and the winery (for example, "family") are impossible to monitor and enforce. Restrictions on parking can be managed with busses. In essence, it's difficult to distinguish through regulations alone whether what is being created is a winery or more fundamentally a tourist destination. In Napa, planners believe that the two most effective regulations are the 75% grape source rule and the regulation of the ratio of space for accessory uses versus space for production purposes.
  - 7) In Napa, the 1990 Winery Definition Ordinance was brought before the county after being crafted by growers, vintners, the county chapter of the Farm Bureau, and tourism interests. Subsequent ordinance development has occurred through county processes but with the ongoing involvement of those interests. In Sonoma, anger associated with the off-site impacts of wineries, particularly traffic, resulted in the election of two county supervisors on anti-winery platforms.



## SYNTHESIS AND RECOMMENDATIONS

---

Regulating events at wineries can be viewed as a narrow, technical, land use regulatory challenge. However, events at wineries, as with all activities associated with growing grapes, and making and marketing wine, are part of a much larger web of issues and opportunities related to the notion of terroir. High quality wine is a place-based product, and it offers consumers a means for connecting both with the place that the wine comes from and with the lifestyle and culture associated with wine making and consumption. As the literature shows, place sells, and sustaining and stewarding both physical resources and sense of place are essential to creating and sustaining powerful, quality-based brands.

Most land use regulation in the US does not address wine quality. Instead, it is designed to either manage off-site impacts or encourage the growth of tourism and visitor amenities. Though wine tourism depends on the working landscape of vineyards and wineries, it creates conflicts with all farm zone producers. Bringing consumers into contact with the wine and where it comes from is essential, but managing the way that happens and the scale at which it occurs is equally essential. Wine tourism is an essential gateway for engaging consumers in building the brand for a wine region, but it can also eclipse the very activity it is predicated on without care and attention.

Even in Napa, though, where wine grapes have become a monoculture and where an important segment of the economy of the county depends on wine, the regulations are not, by themselves, sufficient. Again, as we've seen in the literature, managing the place, which when it comes to wine means managing the brand, has to be a collaborative effort among public, private, and nonprofit sectors, merging industry with government with markets. Regulation is necessary, but by itself it is not nearly enough to secure the future for a wine region. In this regard, creating regulations to manage land use is not the same thing as creating regulations to contribute to managing the quality of the wine and the brand for the region. In Sonoma, the regulations seem more attuned to the promotion of tourism within the norms of the county, rather than the production of good wine.

We've also seen that crafting regulations that can't be monitored or assessed, can't or aren't audited, and for which there are no enforcement mechanisms or real penalties for noncompliance is little more than talk. Again, even in Napa, restrictions placed on new wineries

are not systematically monitored and are often easy to evade. At the least, regulations should be directed either at issues that get resolved within the development process, or things that can, and will, be monitored and assessed on a regular basis. To some degree, all systems will depend on complaints to trigger reviews and needed remedial action. And, as we've seen both in the literature and the case studies, the dialog that needs to occur in wine regions must be viewed as an ongoing conversation involving all sectors, and led by the industry.

Consequently, as with HB 3280 and its sunset clause, wine industry stakeholders should plan for and organize to participate in an ongoing rather than one-time policymaking process. Whether that process is best carried out through state-level legislation or county-level comprehensive planning is another matter. Still, with state legislatures focused on raising and solving problems, utilizing the state legislative process for ongoing crafting of regulations and processes is probably not as dynamic as it needs to be, as close to the places where grapes are grown and wine is made and sold as it has to be, or likely to be welcomed as a constantly recurring issue competing for legislative time from all legislators in all parts of the state, representatives of wine regions or not.

Finally, viewing the management of a place-based brand as a governance (not "government") issue is particularly useful as a means for sharpening the focus on wine quality, ultimately the deciding factor in long-term market success. In some French wine regions, access to the use of the appellation on labels and in marketing is carefully controlled, even requiring passing a "taste" test to demonstrate that the intrinsic qualities of the wine being made are consistent with the highest expectations of both the wine region and the market for the region's products. This "old world" practice has yet to make it to new world wines, and it certainly carries with it both pros and cons.

Nonetheless, the point here is not to do what the French have done, necessarily, but to consciously make quality and access to the use of the appellation or AVA designation something that isn't necessarily a given by virtue of location alone. In some sense, location is the easy part. Much harder, and more central to the brand, is the degree to which the terroir is being expressed in all its dimensions through the finished product. By doing so, wine regions differentiate their products in the market place, create a sense of place that can be shared with

consumers, and help to create a context within which the art of winemaking can be encouraged to develop and where winemakers can be encouraged to innovate.

As the literature notes, quality pushes the focus towards long-term investments and commitments, towards shared values rather than what some have termed industrial production. The Napa case makes the point that brand stability and allegiance on the part of winemakers has been easier to sustain because the wine is regarded as high quality, and the prices paid to producers recognize that. Ultimately, the wine region needs to decide which direction it wants to go. Whether to be Sonoma or Napa is the choice before Walla Walla and other emerging wine regions in the west.

In sum, we believe that this work suggests that, as in Yamhill County, the discussion needs to move to the county level in the context of county comprehensive plans. The State has an important role to play in codifying overall, broad goals and policies to support the emergence of the wine region, just as it does with all uses of agricultural land, but it needs to ensure that the ongoing dialogue needed to effectively govern the resource that is the brand occurs close to where the wine is produced and the impacts felt. This is an exciting moment in the history of Oregon's wine industry. It's not so much a crossroads as an evolution of thought and action. Given the quality of the wine, and of the place, our expectations for the quality of the governance should be high.



# **Appendix: Case Studies**

# CASE STUDY: NAPA COUNTY, CA

---

## 1.0 PROFILE OF THE WINE REGION

### 1.1 *Geographic Setting*

Napa County is located in the Coast Range, approximately 40 miles northeast of San Francisco. The county covers about 788 square miles (504,450 acres). (As a comparison, Yamhill County is about 718 square miles.)<sup>1</sup> The federal and state governments own a combined 105,000 acres of land (about 20%). The percentage of the county's area by land cover is shown in the following table.

<b>Land Cover</b>	<b>Percentage</b>
Farmland	15.7%
Grazing	35.6%
Urban/Built Up	4.2%
Water/Other	44.5%

Source: California Department of Conservation, Division of Land Resource Protection.

### *Demographics*

The population of Napa County as of 2007 was 135,969 with 80% living in cities and 20% living in unincorporated areas (California Department of Finance). Napa County has five incorporated cities: Napa, American Canyon, Calistoga, St. Helena, and Yountville. Napa is the most significant urban center with a population of 76,997 (57% of the county's total).

### *Geology and Hydrology*

The Napa Valley forms the heartland of the county, extending north from the city of Napa. The valley is bounded by the Mayacamas Mountains on the west and the Vaca Ranges on the east. The mountains have an average ridgeline height of approximately 2,000 feet, while some peaks approach 3,000 to 4,000 feet in elevation.<sup>2</sup> Both mountain ranges drain to the Napa River. The river flows south into San Pablo Bay, an arm of the San Francisco Bay. The Napa River watershed constitutes less than half of the land in the county; the Putah Creek and Suisun Creek watersheds east of the Vaca ranges comprise the remainder of the county.<sup>3</sup>

The Napa Valley has soils of volcanic, maritime and alluvial origin, with more than 30 different types identified.<sup>4</sup> Surface soils in the county generally consist of unconsolidated deposits (clay, silt, sand, gravel, and organic material).<sup>5</sup>

### *Climate*

In general, Coastal California experiences a Mediterranean climate with hot, dry summers and cool, wet winters. Defined by mountain ranges and a proximity to the Pacific Ocean, the Napa Valley enjoys a temperate climate with a long growing season of sunny, warm days followed by cool evenings.<sup>6</sup> Napa County typically experiences fog in the morning until nearly noon. The warmest portion of the valley is in the north, in the vicinity of Calistoga.

---

1 Yamhill County. "Geography of Yamhill County." <http://www.co.yamhill.or.us/about/geography.htm>.

2 Napa County. Napa County Baseline Data Report. November 2005.

3 Napa County. Napa County General Plan. June 2008.

4 Wine Institute. "The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

5 Napa County. Napa County Baseline Data Report. November 2005.

6 Wine Institute. "The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

About half of the time, the prevailing winds flow from the south off the San Pablo Bay, particularly during warm summer afternoons.<sup>7</sup> Occasionally daytime winds will flow downvalley from the north.

## 1.2 History of the Wine Industry<sup>8</sup>

The County of Napa formed in 1850 and the City of Napa was incorporated in 1872, followed by St. Helena in 1976 and Calistoga in 1886. Agriculture has always played a large role in the economy and identity of Napa County. In the 1800's, the primary agricultural industries were dairies, chickens, wheat, and fruit. The most popular crop by the end of the century was prunes, although the wine grape industry was growing. George Yount reportedly planted the first wine vineyards in the county in 1838.<sup>9</sup> By the 1880's, there were 16,000 acres of vineyards in the Valley. The number of wineries increased from about 50 in the 1850's to 100 in 1890.

The wine industry faced several challenges from the late 19th century and early 20th century. First, an infestation of Phylloxera, an aphid-like pest of commercial grapevines, thwarted the industry's growth.<sup>10</sup> Second, the start of Prohibition in 1920 caused most wineries to close. After the repeal in 1933, growers began to plant grapes again, and by the 1930's the land dedicated to grapes (15,000 acres) exceeded the area of prune orchards.

During World War II, the industry faced challenges such as price controls and shortages of labor, bottles, and rail cars for the shipment of wine to the east. In 1944, a small group of growers formed the Napa Valley Vintners Association to work collectively on solving industry-related problems.<sup>11</sup> As described further in Section 1.4 below, the association has worked to develop high quality wines, preserve agricultural lands, sponsor promotional events, and market the Valley's wines nationally and worldwide.

Although the area devoted to viticulture has steadily increased since the 1930's, the industry did not truly recover until the 1960's. The rate of vineyard development accelerated in the 1970's and 1980's. Notable events during this period of growth include the:

- ❑ Napa wines winning the 1976 blind tasting competition against French wines, establishing the county's reputation as a world-class wine region;
- ❑ resurgence of hillside vineyards, which produce a large percentage of the county's premium wines;
- ❑ designation of multiple American Viticultural Areas (AVAs) by the federal government; and
- ❑ diversification of varieties.

As described in Section 2.0 below, land use management also played an important role in the development of the industry, primarily through the preservation of agricultural land. Agriculture, comprised almost entirely of vineyard crops, is currently practiced on approximately 51,000 acres within the county (about 10 percent of the County's total area).<sup>12</sup> More than 400 wineries operate in the Napa Valley, ranging in size from multinational corporations to small, family-owned wineries producing as few as 175 cases annually.<sup>13</sup>

Napa County has become a world-famous wine region, commanding high prices for its premium grapes and top quality wines. In 2005, Napa County's crops were worth more than \$500 million, of which 98 percent is the value of the wine grape crop.<sup>14</sup> Sales revenues of Napa appellation wines exceed \$2.3 billion, although wine made in the county with grapes from other regions adds millions to that figure.<sup>15</sup> Napa produces only four percent of California's wine by volume, but accounts for 21 percent of the state's wine revenue.

Tourism is an important part of the County's economy. Over four million people come to Napa County each year.<sup>16</sup> More than half of visitors come from within California, and visitors "tend to be mature, educated, and wealthy".<sup>17</sup>

7 Napa County. Napa County Baseline Data Report. November 2005.

8 Except where noted, this discussion is based on the 2008 Napa County General Plan.

9 Napa Valley Vintners. "History of Napa Valley Vintners." [http://www.napavintners.com/about/ab\\_1\\_history.aspx](http://www.napavintners.com/about/ab_1_history.aspx)

10 Ibid.

11 Napa Valley Vintners. "History of Napa Valley Vintners." [http://www.napavintners.com/about/ab\\_1\\_history.aspx](http://www.napavintners.com/about/ab_1_history.aspx)

12 Napa County. Napa County Baseline Data Report. November 2005.

13 Napa Valley Vintners. "History of Napa Valley Vintners." [http://www.napavintners.com/about/ab\\_1\\_history.aspx](http://www.napavintners.com/about/ab_1_history.aspx)

14 Napa County. 2005 Napa County Agricultural Crop Report. 2006.

15 MKF Research. Economic Impact of Wine and Vineyards in Napa County. 2005.

16 Ibid.

17 Purdue Tourism and Hospitality Research. Napa County Visitor Profile Study & Napa County Economic Impact Study. March 2006.

The average visitor to Napa County spends \$197 per day, with those staying over-night spending \$233 per day.<sup>18</sup> In addition to visiting wineries and vineyards, other tourist activities offered in the county include:<sup>19</sup>

- ❑ Festivals and Events
- ❑ Culinary Adventures (farmers' markets, cooking classes, Culinary Institute of America at Greystone)
- ❑ Arts, Culture, Music, and Nightlife (art exhibitions at wineries, museums, galleries, and studios; historic architecture; bars, restaurants, theaters)
- ❑ Spas & Wellness
- ❑ Sightseeing & Tours (hot air balloon rides, bicycle tours, Napa Wine Train)
- ❑ Shopping
- ❑ Recreation (hiking, biking, golf, tennis)

The combined sectors of wine grape production and tourism/hospitality dominate the local economy, accounting for almost half of the County's jobs and businesses (nearly 40,000 jobs) and generating nearly \$1.4 billion in wages and \$800 million in taxes.<sup>20</sup> The total economic impact of the wine and vineyard sector in Napa County is estimated to be \$9.5 billion.<sup>21</sup>

As a result of the industry's success and value of the wine crop, vineyards have essentially replaced all other forms of agriculture, resulting in a near monoculture in Napa County.<sup>22</sup> By depending on one agricultural commodity and associated support businesses, Napa is unique compared to other agricultural communities in California, which typically produce a wider range of crops.<sup>23</sup>

Agriculture in general and winemaking specifically has become a large part of the community's identity and culture. These values are exemplified in the vision statement set forth in the 2008 Napa County General Plan: "The County's scenic beauty, valuable agricultural resources, and quality of life are reinforced by longstanding commitments to agricultural preservation, resource conservation, and urban-centered growth..."

### **1.3 Napa Brand and Trade Organizations**

Established in 1981, the Napa Valley AVA covers the majority of Napa County and is part of the North Coast AVA.<sup>24</sup> In addition, there are 14 separate AVAs entirely or partly within Napa County, which have distinct microclimates and terrains.<sup>25</sup>

Cabernet and Chardonnay are the most widely planted wine grapes in Napa Valley.<sup>26</sup> Other common varieties include Merlot, Pinot Noir, Sauvignon Blanc, Sangiovese, and Zinfandel.<sup>27</sup> Less common varieties include Petit Verdot, Malbec, Syrah/Shiraz, Nebbiolo, Petit Syrah, and Pinot Grigio/Gris. Rhone Varietals (Syrah among the reds and Viognier among whites) and Italian Varietals (Sangiovese, Barbera, and Dolcetto) are increasingly popular.

The primary associations that promote agricultural and/or the wine industry in the county include the Napa Valley Vintners, Napa Valley Grapegrowers, Napa County Farm Bureau, Visit Napa Valley, and the Winegrowers of Napa County. In addition to local organizations, the Wine Institute represents more than 1,000 wineries and affiliated businesses throughout the state.

The Napa Valley Vintners (NVV) is the primary non-profit trade association representing wineries. From seven founding members in 1944, the association now represents 434 Napa Valley wineries.<sup>28</sup> The mission of NVV is:

18 Ibid.

19 Visit Napa Valley. "Things to Do in the Napa Valley." [http://www.visitnapavalley.com/things\\_to\\_do.htm](http://www.visitnapavalley.com/things_to_do.htm)

20 MKF Research. Economic Impact of Wine and Vineyards in Napa County. 2005.

21 Ibid.

22 Napa County. Napa County Baseline Data Report. November 2005.

23 Napa County. Winery Definition Ordinance. 1990.

24 Wine Institute. "The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

25 Wine Institute. "The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

26 Napa Valley Vintners. "Wine Grape Varieties." [http://www.napavintners.com/wines/napa\\_valley\\_grape\\_varieties.aspx](http://www.napavintners.com/wines/napa_valley_grape_varieties.aspx)

27 Napa Valley Vintners. "Overview." [http://www.napavintners.com/wines/napa\\_valley\\_wines\\_and\\_winemaking.aspx](http://www.napavintners.com/wines/napa_valley_wines_and_winemaking.aspx)

28 Napa Valley Vintners. "The Mission of the Napa Valley Vintners." [http://www.napavintners.com/about/ab\\_1\\_mission.aspx](http://www.napavintners.com/about/ab_1_mission.aspx)

“Through our collective efforts the Napa Valley will be recognized as the leading wine region worldwide and preserved and enhanced for future generations.”

The Napa Valley Grapegrowers (NVG) represents over 600 grapegrowers, vineyard owners, and associated businesses in Napa County. Their mission is “to preserve and promote Napa Valley’s world-class vineyards” and to “advance the heritage and reputation of the Napa Valley appellation”.

The Napa County Farm Bureau’s membership totals over 1,000 local farmers and ranchers, including individuals involved in production agriculture and non-farm members who support its goals, activities, and services. Their mission is: “to ensure the proper political, social, and economic climate for the continuation of a strong, viable, and sustainable agricultural economy” and “preserve and protect the agricultural land and other natural resources that provide a high quality of life for all rural and urban citizens of Napa County”.

The Napa Valley Destination Council (“Visit Napa Valley”) is the official non-profit marketing organization for the region.<sup>29</sup> It was established in 1990 and is governed by a 17-member Board of Directors that represents all six Napa County municipalities. Their mission is “to promote, protect and enhance Napa Valley’s position as America’s premier wine, food, arts and wellness capital”. Visit Napa Valley works with the hospitality industry and community stakeholders to market overnight tourism during low-occupancy periods.

The Winegrowers of Napa County have about 20 members, generally representing the largest winery/land owners in the County.<sup>30</sup>

### ***Industry Collaboration and Brand Protection***

The Napa Valley AVA prides itself on the premium quality wine and its world famous reputation. “Quality” is the core premise of the Napa brand. The four trade groups work together toward a common goal of maintaining and strengthening the Napa wine industry. Recognizing that farmland preservation is essential to sustaining the industry, they collaborate to ensure that grape growing is recognized as the highest and best use of the land. As the industry has evolved, individuals have taken on multiple roles as winery owners and vineyard owners and the industry has developed more of a singular vision.<sup>31</sup>

All of the organizations implement a variety of advocacy efforts, educational programs, and marketing events. Each group also plays a separate but related role in the collective effort to protect the brand and industry. For example, the Farm Bureau is more involved with land use issues and politics, while NVG focuses on promoting the quality and sustainability of grape growing through education.<sup>32</sup> NVV is focused on the sale of wine, promoting Napa’s reputation, and protecting the Napa name nationally and internationally; they have done this very well. For example, NVV engaged in a six-year lawsuit with a company that contested a state law passed in 2000 prohibiting the selling of wines labeled “Napa” or its geographic subdivisions unless the wine contained at least 75 percent Napa grapes. The case went to the US Supreme Court and the company eventually lost, upholding the state law.<sup>33</sup>

In addition, sustainability is becoming part of the Napa brand. In 2011, organic wine grape production acreage increased by substantially.<sup>34</sup> NVV considers themselves good stewards of the environment, taking proactive positions on hillside, viewshed, and streamside ordinances.<sup>35</sup> NVG also understands that the industry needs to be environmentally and economically sustainable, given that wine is the basis of Napa economy and they have a responsibility to protect the valley’s air, water, and land.<sup>36</sup> In support of this endeavor, NVV developed a voluntary program open to all Napa County vintners called “Napa Green.”<sup>37</sup> The program is intended to promote environmentally sound, sustainable practices in winery operations and farming to meet and exceed regulatory compliance requirements and enhance the ecological quality of the region. Napa Green offers two certification programs that vintners can enroll in: Certified Land and Certified Winery.

29 Visit Napa Valley. “About Visit Napa Valley.” [http://www.visitnapavalley.com/about\\_visit\\_napa\\_valley.htm](http://www.visitnapavalley.com/about_visit_napa_valley.htm)

30 No website was found for the Winegrowers of Napa County.

31 Phone interview with Jennifer Putnam. Executive Director, Napa Valley Grapegrowers. November 27, 2012.

32 Ibid.

33 Essay.

34 Napa County. 2011 Napa County Agricultural Crop Report. 2012.

35 Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

36 Phone interview with Jennifer Putnam. Executive Director, Napa Valley Grapegrowers. November 27, 2012.

37 Napa Valley Vintners. “Napa Green Certification Programs.” <http://www.napagreen.org/>



## 1.4 Characteristics of Wineries

For the purposes of characterizing the wineries in Napa County, this section is based on information found on the Napa Valley Vintners (NVV) website, unless otherwise noted. Napa Valley Vintners represents a total of 434 wineries. According to “Visit Napa Valley”, 95 percent of wineries in Napa are family-owned and operated.<sup>38</sup>

### Napa Wineries by Type

Type of Winery	Number	% of Total (434)	Notes
Open to the public	107	25%	These wineries have regular hours that they are open to visitors, and no advance appointment is required to visit. Hours vary by winery.
Open by appointment	205	47%	These wineries have a county license that requires visitors to make an appointment.
Tours given regularly	20	5%	These wineries have regularly scheduled tours or accommodate guests as they arrive. No need to make an advance appointment, but you may wish to call to schedule your preferred time.
Tours by appointment	198	46%	These wineries offer tours but by appointment only.
Barrel tasting*	68	16%	These Napa Valley wineries offer barrel tastings.
Complimentary tasting w/ purchase	22	5%	No definition provided.
Dog friendly	95	22%	No need to leave the dog home alone while visiting these wineries, bring him/her along!
Family friendly	72	17%	Although wine tasting is available only to those 21 and older, these wineries offer some amenities geared to families/children.
Gardens	135	31%	These wineries feature floral or vegetables gardens that guests may view.
In-house chef	39	9%	These wineries have a chef/chefs on staff for corporate and/or social functions. Contact wineries for details.
Meeting space available	97	22%	These wineries offer meeting space for corporate and/or social functions.
Napa Green	74	17%	These wineries participate in Napa Green, a voluntary program intended to promote environmentally sound, sustainable practices in winery operations and farming (refer to Section 1.3 above).

<sup>38</sup> Visit Napa Valley. “Napa Valley Wineries.” <http://www.visitnapavalley.com/wineries.htm>

## Napa Wineries by Type

Type of Winery	Number	% of Total (434)	Notes
Napa Neighbor	Count not provided	NA	Napa Valley Vintners members extend a special invitation to their Napa County neighbors to experience the best of Valley wineries. Simply show your drivers license and experience VIP treatment; enjoy product discounts, and complimentary tours and wine tasting.
Picnic areas	67	15%	These wineries offer picnic grounds for guests' use.
Sustainably farmed	251	58%	These wineries practice sustainability in the winery and/or vineyard.
Unique architecture	112	26%	These wineries feature some form of unique or interesting architecture.
Wine caves	73	17%	These wineries utilize caves for wine production and other purposes, and these may be available for tour.
Wine Clubs	237	55%	These wineries offer wine clubs which may include discounts on their wines, exclusive food and wine tastings and events, winery or vineyard tours, library or limited production wines, etc.
Wine Education	96	22%	No definition provided.
Off the beaten path	129	30%	Discover Napa Valley wineries that are not on the typical Napa Valley visiting routes.

Source: Napa Valley Vintners. <http://www.napavintners.com/wineries/>. Accessed October 7, 2012.

\* The website provides maps for all of the categories, except for barrel tastings. The website also offers maps for wineries that provide: retail wine sales, "wine tasting", music, and group wine tastings.

### 1.5 Geographic Distribution of Wineries

The majority of vineyards and wineries in the county are located in the Napa Valley (Napa River watershed). However, the other half of the county east of the Vaca Mountains has a growing wine industry, with "a few wineries" and "vineyards in many of the various valleys".<sup>39</sup>

Within Napa Valley, the majority of vineyards are concentrated along Highway 29 and to a lesser degree the Silverado Trail, which runs parallel to the east. Highway 29 runs through all the towns in Napa County and tends to be the most congested, particularly on weekends during the fall and summer. There are various side roads off these main routes that also provide access to wineries. As shown in the table above, about 129 wineries (30 percent of the total) are considered "off the beaten path" (not on the main routes). Most of these wineries appear to be located on the hillsides, while some are located on side roads close to the main routes.

The wineries open to the public for tours and/or tastings by appointment only are spread throughout the valley and hillsides, while those without restrictions on public tastings and tours appear to be more concentrated along

<sup>39</sup> Napa County. Napa County General Plan. June 2008. Page E-5.

Highway 29 and the Silverado Trail.<sup>40</sup> As described further in Section 2.3, the “open to the public” wineries are correlated with older facilities, as wineries opened after 1990 can only offer tastings and tours by appointment only.

Given the abundance of wineries spread throughout the valley, “wine trails” are not common in the tourism materials for Napa. However, the county has the Napa Valley Wine Train, a moving restaurant and wine tasting bar that offers a three-hour trip through wine country between St. Helena and the city of Napa.<sup>41</sup>

## 2.0 LAND USE MANAGEMENT AND WINERY REGULATION

### 2.1 *Land Use Management in California*

#### *General Plans and Zoning*

City and county governments in California are the sole controllers of land use regulation and formulators of development policy (Hart, 2003). State law mandates that all cities and counties adopt “a comprehensive, long-term general plan for [its] physical development” (similar to Oregon’s “Comprehensive Plan”).<sup>42</sup> Zoning must comply with the general plan in all counties and general law cities (not charter cities).<sup>43</sup>

#### CEQA

Prior to any discretionary action by a governmental agency that would have a physical effect on the environment such as approval of a development permit or a rezoning, the agency must complete a review process in compliance with the California Environmental Quality Act (CEQA).<sup>44</sup> This state law is similar to the National Environmental Policy Act (NEPA), which requires environmental review of proposed projects undertaken or funded by federal agencies. The primary purposes of these laws are to disclose the potential impacts of a project and ensure that decision makers analyze and consider the environmental effects of their actions. Since its adoption in 1970, CEQA has become one of the most important laws governing land use planning in California.<sup>45</sup>

#### *Williamson Act*

The California Land Conservation Act of 1965, referred to as the Williamson Act, enables local governments to enter into contracts with private landowners for the purpose of restricting parcels to agricultural or open space use. In return, landowners receive property tax assessments that are much lower than market value. Private land within locally designated agricultural preserve areas is eligible for enrollment under contract. The minimum term for contracts is ten years, although the actual term is essentially indefinite unless non-renewal procedures are enacted by the landowner or county.<sup>46</sup>

### 2.2 *Land Use Management in Napa County*

The overall development strategy of County officials has been to concentrate growth in the southern portion of the county where most of the commercial and light industrial activities and major roads are located.<sup>47</sup>

The County adopted its first Zoning Map in 1955. In response to rising property taxes and increasing pressures on agricultural properties to convert to urban uses, the County amended its code in 1968 and established the “**Agricultural Preserve**” and “Agriculture, Watershed and Open Space” zoning districts.<sup>48</sup> Additionally, any parcels under Williamson Act contracts that lie outside of the agricultural zoning districts are themselves “agricultural preserves.”

40 Refer to maps available at: <http://www.napavintners.com/maps/index.aspx>.

41 Napa Valley Wine Train. <http://winetrain.com/#whats-wine-train>

42 California Government Code (Sections 65000 et seq.).

43 State of California, Governor’s Office of Planning and Research. “A Citizen’s Guide to Planning.” [http://ceres.ca.gov/planning/planning\\_guide/plan\\_index.html#anchor156525](http://ceres.ca.gov/planning/planning_guide/plan_index.html#anchor156525). January 2001.

44 California Public Resources Code (Sections 21000 et seq.).

45 Robert B. Olshansky (1996): The California Environmental Quality Act and Local Planning, *Journal of the American Planning Association*, 62:3, 313-330.

46 Napa County. Napa County Baseline Data Report. November 2005.

47 Except where noted, this section is based upon the Napa County General Plan (2008) and supplemental materials such as the Baseline Data Report (2005).

48 Napa County. Napa County Baseline Data Report. November 2005.

In 1973-75, the County prepared and adopted its first **General Plan**. During the following years, the County rezoned land to be consistent with the new General Plan. The City of Napa adopted a rural-urban limit line in 1975, reinforcing the commitment to farmland preservation and urban centered growth.

In addition to County- and city-led strategies for agricultural conservation, Napa landowners formed the **Land Trust of Napa County** in 1976. The Land Trust of Napa County is a non-profit organization that currently holds more than 33,000 acres of private land protected from development, either in conservation easements or owned-in-fee by the Land Trust.<sup>49</sup> The Land Trust also owns lands outright, some of which will be transferred to government natural resource agencies or other nonprofit foundations.

In 1980, county voters passed the **Slow Growth Initiative (Measure A)**, which required the County to include a Growth Management System Element in its General Plan. Under Measure A, the County's General Plan Land Use Element must focus on ensuring the annual rate of growth does not exceed one percent.<sup>50</sup> The system essentially controls the supply of residential uses outside of urban areas, with the intent of maximizing protection of agricultural lands.

In keeping with the desire for slow growth, the county's voters passed the **Agricultural Lands Preservation Initiative (Measure J)** in 1990. Measure J prevented changes to the General Plan policies related to the intent, minimum parcel size, and maximum building intensity of lands designated as Agricultural Resource (AR) or Agriculture, Watershed, and Open Space (AWOS), unless approved by the voters. Measure J also requires voter approval to change the designation of parcels classified as AR or AWOS on the General Plan Land Use Map to another use, with the following exceptions: (1) changes reflecting annexations to cities; (2) changes permitting solid waste disposal facilities involving waste generated solely within Napa County; (3) changes involving land physically unusable for agriculture provided certain conditions are met; and (4) changes to avoid the County condemning private property.<sup>51</sup> In addition, Measure J stipulates that all new growth must be accommodated within the urban limit lines of existing communities.<sup>52</sup>

In 2008, voters approved **Measure P**, which renewed the Measure J rules for 50 years. Measure P added a new exception to the restrictions on General Plan designations, allowing the Board of Supervisors to change the designation of AR or AWOS lands to another designation without voter approval, where necessary to meet state mandated housing obligations, as long as certain conditions are met.<sup>53</sup>

As of 2008, only five General Plan amendments have been voter approved under Measure J requirements and only one of those involved changed the land use designation of a parcel.<sup>54</sup> The vast majority of unincorporated land in Napa County remains designated and zoned for agricultural uses. In 2005, about 31,000 acres in Napa County were protected under the AP zoning district.<sup>55</sup>

The County adopted a comprehensive update of their General Plan (GP) in 2008. The updated GP strongly emphasizes preservation of agriculture and open space resources, as reflected in the following vision statements:

- ❑ Napa County will remain a world-famous grape growing and wine making region, with a viable and sustainable agricultural industry (Land Use Element).
- ❑ Napa County will retain its rural character and outstanding quality of life (Community Character Element).

Accordingly, the GP contains goals and policies related to aesthetics, views, arts and culture, historic and archaeological resources, noise, odors, and light and glare to ensure the compatibility of land uses. Economic development policies are intended to “preserve the economic viability of agriculture and ensure that tourism and other industries do not compete with agriculture”.

---

49 Ibid.

50 Ibid.

51 [http://ballotpedia.org/wiki/index.php/Napa\\_County\\_Agricultural\\_Lands\\_Preservation,\\_Measure\\_P\\_\(2008\)](http://ballotpedia.org/wiki/index.php/Napa_County_Agricultural_Lands_Preservation,_Measure_P_(2008))

52 Napa County. Napa County Baseline Data Report. November 2005.

53 [http://ballotpedia.org/wiki/index.php/Napa\\_County\\_Agricultural\\_Lands\\_Preservation,\\_Measure\\_P\\_\(2008\)](http://ballotpedia.org/wiki/index.php/Napa_County_Agricultural_Lands_Preservation,_Measure_P_(2008))

54 Napa County. Napa County General Plan. June 2008. Page AG/LU-83.

55 Napa County. Napa County Baseline Data Report. November 2005.

### 2.3 Land Use Provisions Governing Vineyards and Wineries

Napa County primarily utilizes the Zoning Ordinance (Chapter 18 of the County Code), winery use permits, and standard winery conditions of approval to regulate the activities that can occur at new and existing wineries.<sup>56</sup> Wineries are allowed in agricultural and industrial zoning districts. Relevant provisions of the zoning code are summarized below for reference and provided in full in Attachment A. The standard conditions are discussed in Section 2.4.

#### Winery Definition Ordinance

In addition to standards established for agricultural and industrial districts, the zoning provisions governing wineries were shaped through the Winery Definition Ordinance (WDO) of 1990.<sup>57</sup> The County adopted the ordinance in response to a debate over what uses and infrastructure are allowed at a winery, following years of increased commercial activity.<sup>58</sup> Interestingly, the NVV, NVG, and Farm Bureau drafted the ordinance independently of the County.<sup>59</sup>

The WDO established parameters for winemaking as a form of agricultural processing and limits on new wineries and uses, including the requirement that all new wineries host tours and tastings by appointment only. As described further below, the WDO required the production of wines with a minimum of 75 percent Napa County grape content and increased the minimum lot size of new wineries to 10 acres. The WDO acknowledged that existing wineries whose activities were lawful when they were established are legal uses.

The WDO serves as a protection mechanism for the Agricultural Preserve. The resolution adopting the WDO in 1990 recognizes that:

- ❑ the wine industry constitutes the largest segment of the County's economy,
- ❑ areas suitable for vineyards are limited and irreplaceable, and
- ❑ the cumulative effect of individual projects that intersperse non-agricultural uses throughout agricultural areas will significantly increase the problems and costs associated with maintaining vineyards and will discourage the continued use of land for agricultural purposes.<sup>60</sup>

In 2010, following months of negotiations and public meetings, the County Board of Supervisors adopted a resolution to amend the Zoning Ordinance and provide interpretative guidance on the definition of "marketing of wine." The Zoning Ordinance was amended to explicitly prohibit wineries from hosting cultural and social events where the education and development of consumers is subordinate to non-wine-related content (e.g., weddings and anniversary parties).<sup>61</sup> Conversely, the resolution explicitly allowed: parties with small groups of friends or wine-industry representatives, educational events focused on the winery facilities, corporate events where non-wine-related activity represents less than half of the event, and food pairings with tastings.<sup>62</sup> The County recognized that pairing food with wine is a marketing tool and a responsible element of hospitality, but wanted to prevent wineries from becoming restaurants. The guidance reinforced the "marketing of wine" as the primary purpose of commercial uses at wineries. Please refer to Section 3.0 for additional background on the 2010 resolution.

56 Napa County, Department of Conservation, Development and Planning. Notice of Intent to Adopt a Negative Declaration, 2009-2010 Winery-related Zoning Ordinance Amendments and Associated Interpretative Guidance Resolution, County-initiated Zoning Code Text Amendment No. P10-00098-ORD. March 2010.

57 Also in 1990, the County also adopted a Hillside Ordinance that enforces erosion and sediment control for structural and vineyard developments occurring on slopes exceeding a five percent gradient. The ordinance was passed in response to erosion problems resulting from the rapid conversion of steeply sloped forest and grasslands.

58 Napa County. Napa County General Plan. June 2008.

59 Napa County, Department of Conservation, Development and Planning. Notice of Intent to Adopt a Negative Declaration, 2009-2010 Winery-related Zoning Ordinance Amendments and Associated Interpretative Guidance Resolution, County-initiated Zoning Code Text Amendment No. P10-00098-ORD. March 2010.

60 Napa County. Winery Definition Ordinance. 1990.

61 The entire text of the revised definition of "marketing of wine" in the Zoning Ordinance is provided below for reference.

62 County had always allowed food pairings at marketing events.

## Hillside Ordinance

Also in 1990, the County adopted a Hillside Ordinance that enforces erosion and sediment control for structural and vineyard developments occurring on slopes exceeding a five percent gradient. The ordinance was passed in response to erosion problems resulting from the rapid conversion of steeply sloped forest and grasslands.

## General Plan

The 2008 Napa County GP contains goals and policies related to the regulation of wineries and vineyards, recognizing the role of the County to help position the wine industry to compete globally, the need for the wine industry to adapt, and “the historic and ongoing relationship between tourism, the making and marketing of wine, and the value of Napa County agriculture”.<sup>63</sup> The County’s 2008 GP reinforced the overall intent and specific provisions of the WDO.

The majority of the county is designated on the GP Land Use Map as Agriculture, Watershed and Open Space, which corresponds to the Agriculture Watershed zoning district. Many of the wineries are located on lands designated as Agricultural Resource, which corresponds to the Agricultural Preserve zoning district.

GP goals and policies related to wineries and commercial uses in agricultural areas include the following:

**Goal AG/LU-1:** Preserve existing agricultural land uses and plan for agriculture and related activities as the primary land uses in Napa County.

**Goal AG/LU-2:** Concentrate urban uses in the County’s existing cities and town and urbanized areas.

**Goal AG/LU-3:** Support the economic viability of agriculture, including grape growing, winemaking, other types of agriculture, and supporting industries to ensure the preservation of agricultural lands.

**Goal AG/LU-5:** With municipalities, other governmental units, and the private sector, plan for commercial, industrial, residential, recreational, and public land uses in locations that are compatible with adjacent uses and agriculture.

**Goal AG/LU-6:** Create a stable and predictable regulatory environment that encourages investment by the private sector and balances the rights of individuals with those of the community and the needs of the environment.

**Policy AG/LU-2:** “Agriculture” is defined as the raising of crops, trees, and livestock; the production and processing of agricultural products; and related marketing, sales and other accessory uses. Agriculture also includes farm management businesses and farm worker housing.

**Action Item AG/LU-2.1:** Amend County Code to reflect the definition of “agriculture” as set forth within this plan, ensuring that wineries and other production facilities remain as conditional uses except as provided for in Policy AG/LU-16, and that marketing activities and other accessory uses remain incidental and subordinate to the main use.

**Policy AG/LU-10:** New wineries and other agricultural processing facilities as well as expansions of existing wineries and facilities in agricultural areas should be designed to convey their permanence and attractiveness.

**Action Item AG/LU-10.1:** Maintain a database of all wineries including their production capacity, marketing events, and other characteristics that could influence analysis of cumulative effects or the winery’s effect on neighbors. [Note: the County maintains a winery database that shows the name, production capacity, and whether tours and tastings are open to public or by appointment only.]

**Policy AG/LU-13:** The 1990 Winery Definition Ordinance recognized certain pre-existing wineries and winery uses as well as new wineries. For wineries approved after the effective date of that ordinance, agricultural processing includes tours and tastings by appointment only, retail sales of wine produced by or for the winery partially or totally from Napa County grapes, retail sale of wine-related items, activities for the education and development of consumers and members of the wine trade with respect to wine produced by or at the winery, and limited non-commercial food service. The later activity may include winefood pairings. All tours and tastings, retail sales, marketing activities, and noncommercial food service must be accessory to the principal use of the facility as an

63 Napa County. Napa County General Plan. June 2008. Page AG/LU-8.

agricultural processing facility. Nothing in this policy shall alter the definition of “agriculture” set forth in Policy AG/LU-2.

**Policy AG/LU-14:** The same location, design, and other considerations applied to wineries shall apply to all other food processing businesses or industrial uses located in agricultural areas.

**Policy AG/LU-16:** In recognition of their limited impacts, the County will consider affording small wineries a streamlined permitting process. For purposes of this policy, small wineries are those that produce a small quantity of wine using grapes mostly grown on site and host a limited number of small marketing events each year.

**Action Item AG/LU-16.1:** Consider amendments to the Zoning Ordinance defining “small wineries,” a “small quantity of wine,” “small marketing events,” and “mostly grown on site,” and establishing a streamlined permitting process for small wineries which retains the requirement for a use permit when the winery is in proximity to urban areas.

**Policy AG/LU-20:** The following standards shall apply to lands designated as Agriculture, Watershed, and Open Space on the Land Use Map of this General Plan.

**Intent:** To provide areas where the predominant use is agriculturally oriented; where watersheds are protected and enhanced; where reservoirs, floodplain tributaries, geologic hazards, soil conditions, and other constraints make the land relatively unsuitable for urban development; where urban development would adversely impact all such uses; and where the protection of agriculture, watersheds, and floodplain tributaries from fire, pollution, and erosion is essential to the general health, safety, and welfare.

**General Uses:** Agriculture, processing of agricultural products, single-family dwellings.

**Minimum Parcel Size:** 160 acres, except that parcels with a minimum size of 2 acres may be created for the sole purpose of developing farm labor camps by a local government agency authorized to own or operate farm labor camps, so long as the division is accomplished by securing the written consent of a local government agency authorized to own or operate farm labor camps that it will accept a conveyance of the fee interest of the parcel to be created and thereafter conveying the fee interest of such parcel directly to said local government agency, or entering into a long-term lease of such parcels directly with said local government agency. Every lease or deed creating such parcels must contain language ensuring that if the parcel is not used as a farm labor camp within three years of the conveyance or lease being executed or permanently ceases to be used as a farm labor camp by a local government agency authorized to develop farm labor camps, the parcel will automatically revert to, and merge into, the original parent parcel.

**Maximum Building Intensity:** One dwelling per parcel (except as specified in the Housing Element). Nonresidential building intensity is non-applicable. Pursuant to Measure Z (1996), the sale to the public of agricultural produce, fruits, vegetables, and Christmas trees, grown on or off premises, and items related thereto, as well as the recreation and educational uses by children of animals, such as children’s pony rides and petting zoos, and construction of buildings to accommodate such sales and animals shall be permitted on any parcel designated as agricultural produce stand combination district. (See Policy AG/LU-132.)

**Policy AG/LU-21:** The following standards shall apply to lands designated as Agricultural Resource on the Land Use Map of this General Plan.

**Intent:** To identify areas in the fertile valley and foothill areas of the county in which agriculture is and should continue to be the predominant land use, where uses incompatible with agriculture should be precluded, and where the development of urban type uses would be detrimental to the continuance of agriculture and the maintenance of open space which are economic and aesthetic attributes and assets of the County of Napa.

**General Uses:** Agriculture, processing of agricultural products, single-family dwellings.

**Minimum Parcel Size:** 40 acres, except that parcels with a minimum size of 2 acres may be created for the sole purpose of developing farm labor camps by a local government agency authorized to own or operate farm labor camps, so long as the division is accomplished by securing the written consent of a local government agency

authorized to own or operate farm labor camps that it will accept a conveyance of the fee interest of the parcel to be created and thereafter conveying the fee interest of such parcel directly to said local government agency, or entering into a long-term lease of such parcels directly with said local government agency. Every lease or deed creating such parcels must contain language ensuring that if the parcel is not used as a farm labor camp within three years of the conveyance or lease being executed or permanently ceases to be used as a farm labor camp by a local government agency authorized to develop farm labor camps, the parcel will automatically revert to, and merge into, the original parent parcel.

**Maximum Building Intensity:** One dwelling per parcel (except as specified in the Housing Element). Nonresidential building intensity is non-applicable, but where practical, buildings will be located off prime soils.

**Policy AG/LU-51:** The following standards shall apply to lands designated as Industrial on the Land Use Map of this General Plan.

**Intent:** To provide an environment exclusively for and conducive to the development and protection of a variety of industrial uses such as warehouses, manufacturing, wineries and food processing facilities that are industrial in character, and research and development. Administrative facilities, research institutions, limited office and commercial uses and related facilities which are ancillary to the primary industrial uses may also be accommodated.

**General Uses:** Industry, limited commercial, and related facilities which are ancillary to the primary industrial uses, agriculture, wineries. No residential uses.

**Minimum Parcel Size:** 1/2 acre to 40 acres depending on proximity and access to utilities, airport, highways, rail service and service roads.

**Maximum Building Density:** 50% coverage

### ***Right to Farm***

Both the General Plan and County Code (Chapter 2.94) recognize the “Right to Farm.” These provisions “ensure that agriculture remains the primary land use and is not threatened by potentially competing uses or neighbor complaints”.<sup>64</sup> The provision states that the County has determined that the highest and best use for agricultural land is to develop or preserve lands for the purposes of agricultural operations.<sup>65</sup> The County will not consider the inconveniences or discomforts arising from agricultural operations to be a nuisance if such operations are legal, consistent with accepted customs and standards, and operated in a non-negligent manner. The County requires that prior to the issuance of a permit, lease, license, certificate, or other entitlement for use of a parcel adjacent to agricultural land that the owner(s) of the property must sign a statement acknowledging that they are aware of the “right to farm” policy of the County.<sup>66</sup>

### ***Zoning Ordinance (Chapter 18 of the County Code)***

Wineries are allowed in agricultural and industrial zoning districts. Standards governing uses in these districts are described in Chapter 18.16 (AP - Agricultural Preserve District), Chapter 18.16 (AW - Agriculture Watershed District), and Chapter 18.36 (I - Industrial District), Chapter 18.40 (IP - Industrial Park District), and Chapter 18.44 (GI - General Industrial District). Chapter 18.104 includes “additional zoning regulations” for wineries. All of these sections refer to Chapter 18.08 (Zoning Definitions).

New wineries and uses associated with winery operation (i.e., marketing, tours and tastings, retail sales, etc.) require a use permit in all of the districts. Given that zoning requirements mainly apply only to wineries in agricultural zoning districts (and not industrial districts), the remainder of this section focuses on agricultural zoning.

64 Napa County. Napa County General Plan. June 2008. Page AG/LU-10.

65 Agricultural operation includes all operations necessary to conduct agriculture including, but not be limited to, preparation, tillage, and maintenance of the soil or other growing medium, the production, irrigation, frost protection, cultivation, growing, raising, breeding, harvesting, or processing of any living organism having value as an agricultural commodity or product, and any commercial practices performed incident to or in conjunction with such operations on the site where the agricultural product is being produced, including preparation for market, delivery to storage or to market, or to carriers for transportation to market.

66 Napa County. Napa County Baseline Data Report. November 2005.



The AP - Agricultural Preserve zoning is applied to “the fertile valley and foothill areas of Napa County containing existing agriculture and where agriculture should continue to be the predominant land use, where uses incompatible to agriculture should be precluded, and where the development of urban-type uses would be detrimental to the continuance of agriculture and the maintenance of open space”.

The AW zoning classification is intended for those areas of the County where the predominant use is agriculturally oriented and where the protection of agriculture, watersheds, and floodplain tributaries from fire, pollution, and erosion is essential to the general health, safety and welfare.

It should be noted that the minimum parcel size standard is set forth in the General Plan, rather than in the Zoning Ordinance. The minimum parcel size is 160 acres for the Agriculture, Watershed and Open Space designation and is 40 acres for the Agricultural Resource designation, with exceptions for “farm labor camps” (refer to General Plan Policies AG/LU-20 and AG/LU-21).<sup>67</sup>

### **Allowable Uses**

The allowable uses in the agricultural zoning districts are summarized here for reference; please refer to Appendix A for the complete text. In addition, words in bold are defined in the following section and Chapter 18.08.010 of the County Code.

Winery uses allowed in both agricultural zoning districts *without* a use permit include:

- Existing wineries and related **accessory uses** that legally existed prior to July 31, 1974 and have not been abandoned
- Existing wineries and related **accessory uses** that have been previously authorized by a use permit
- Small wineries that were issued and used a certificate of exemption prior to 1990 (effective date of the WDO)

Winery-related uses allowed in both agricultural zoning districts with a use permit include:

- New **wineries**
- Expansion of winery and **accessory uses**, regardless of date of construction/operation
- The following uses in connection with a winery:
  - Crushing of grapes outside or within a structure
  - On-site aboveground disposal of wastewater generated by the winery
  - Aging, processing and storage of wine in bulk
  - Bottling and storage of bottled wine and shipping and receiving of bulk and bottled wine, provided the wine bottled or received does not exceed the permitted production capacity
  - Any or all of the following uses provided that, in the aggregate, such uses are clearly incidental, related and subordinate to the primary operation of the winery as a production facility:
    - Office and laboratory uses
    - **Marketing of wine**
    - Retail sale of (1) wine fermented or refermented and bottled at the winery, irrespective of the county of origin of the grapes from which the wine was made; and (2) wine produced by or for the winery from grapes grown in Napa County
- The following uses, when accessory to a winery:
  - **Tours and tastings**
  - Display, but not sale, of art
  - Display, but not sale, of items of historical, ecological or viticultural significance to the wine industry
  - Sale of wine-related products
  - Child day care centers limited to caring for children of employees of the winery

Other non-winery uses allowed in the agricultural zoning districts with and without a use permit are summarized in the table on the following page.

<sup>67</sup> As described above, the Agriculture, Watershed and Open Space General Plan land use designation corresponds to the Agriculture Watershed zoning district, while the Agricultural Resource land use designation corresponds to the Agricultural Preserve zoning district.

## Non-Winery Uses Allowed in Agricultural Zoning Districts

### Both AP and AW Districts

### Only the AW District

#### *Without a Use Permit*

Agriculture

One single-family dwelling unit per legal lot

Residential care facilities (small)

Family day care homes

One guest cottage

Minor antennas

Telecommunication facilities and other than satellite earth stations that meet the specified performance standards

Farmworker housing

A second unit, either attached to or detached from an existing legal residential dwelling unit

Hunting clubs (small)

Overnight lodging in public parks or in structures

Any recreational vehicle park or campground and their accessory and related uses which have been authorized by use permit

Floating docks

Maintenance and emergency repairs of legally-created levees,

Quasi-private recreation uses and facilities

#### *With a Use Permit*

Seasonal farmworker centers

Facilities, other than wineries, for the processing of agricultural products grown or raised on the same parcels or contiguous parcels under the same ownership

Facilities, other than wineries, for the processing of agricultural products where the products are grown or raised within the county, provided that the facility is located on a parcel of ten or more acres, does not exceed five thousand gross square feet, and is not industrial in character. Only those agricultural products raised or processed on-site may be sold at the facility.

Farm management uses

Kennels and veterinary facilities

Feed lots

Noncommercial wind energy and conversion systems

Telecommunication facilities that do not meet one or more of the specified performance standards

Satellite earth stations that cannot, for demonstrated technical reasons acceptable to the director, be located in an Industrial (I), Industrial Park (IP), or General Industrial (GI) zoning district

Parks and rural recreation uses and facilities

Sanitary landfill sites Campgrounds on public lands

Hunting clubs (large)

## DEFINITIONS

For reference, definitions of the winery uses in the Zoning Ordinance include:

**Winery:** An agricultural processing facility used for 1) the fermenting and processing of grape juice into wine, or 2) the refermenting of still wine into sparkling wine.<sup>68</sup>

**Tours and tastings:** Tours of the winery and/or tastings of wine, where such tours and tasting are limited to members of the wine trade, persons invited by a winery who have pre-established business or personal relationships with the winery or its owners, and persons who have made unsolicited prior appointments for tours or tastings.

**Marketing of wine:** Any activity of a winery which is conducted at the winery on a prearranged basis for the education and development of customers and potential customers with respect to wine which can be sold at the winery on a retail basis pursuant to Chapters 18.16 and 18.20. Marketing of wine may include cultural and social events directly related to the education and development of customers and potential customers provided such events are clearly incidental, related and subordinate to the primary use of the winery. Marketing of wine may include food service, including food and wine pairings, where all such food service is provided without charge except to the extent of cost recovery.

Business events are similar to cultural and social events, in that they will only be considered as “marketing of wine” if they are directly related to the education and development of customers and potential customers of the winery and are part of a marketing plan approved as part of the winery’s use permit. Marketing plans in their totality must remain “clearly incidental, related and subordinate to the primary operation of the winery as a production facility” (subsection (G)(5) of Sections 18.16.030 and subsection (I)(5) of 18.20.030). To be considered directly related to the education and development of customers or potential customers of the winery, business events must be conducted at no charge except to the extent of recovery of variable costs, and any business content unrelated to wine must be limited. Careful consideration shall be given to the intent of the event, the proportion of the business event’s non-wine related content, and the intensity of the overall marketing plan.

**Accessory use:** “Accessory use” means any use subordinate to the main use and customarily a part thereof. An accessory use must be clearly incidental, related and subordinate to the main use, reasonably compatible with the other principal uses in the zoning district and with the intent of the zoning district, and cannot change the character of the main use. Unless provided otherwise in this title, accessory uses may be conducted in the primary structure or in structures other than the primary structure. Where the zoning regulations applicable to a zoning district specifically identify the accessory uses which are permitted in conjunction with a primary use in that zoning district, no other accessory uses in conjunction with the primary use will be permitted in that zoning district. Structures constituting an accessory use that are related to a winery are further limited to the extent provided by Section 18.104.200.

**Small winery:** “Small winery” means an existing winery with a maximum annual production capacity of twenty thousand gallons of wine that meets the following conditions:

- A small winery shall be located on a parcel of land four acres or larger in size.
- Small winery buildings and related facilities shall not be located in any county-designated environmentally-sensitive area.
- A small winery does not conduct public tours, provide wine tastings, sell wine-related items or hold social events of a public nature.
- A small winery shall meet all requirements of the county’s Design Criteria for Small Winery.

<sup>68</sup> Napa County. Winery Definition Ordinance. 1990.

## ADDITIONAL ZONING REGULATIONS RELATED TO WINERIES

Chapter 18.104 of the Zoning Ordinance includes additional standards for wineries, as summarized here for reference. Please refer to Appendix A for the complete text.

- ❑ **Minimum parcel size for new wineries in AP or AW districts:** 10 acres
- ❑ **Maximum square footage of accessory structures related to wineries in AP or AW districts:** no more than 40% of the area of the production facility, which includes areas used for crushing, fermenting, bottling, bulk and bottle storage, shipping, receiving, laboratory, equipment storage, and maintenance facilities, but excludes wastewater treatment or disposal areas not used for agricultural purposes.
- ❑ **Winery development area:** The winery development area shall be contiguous and not exceed the aggregate impervious or semipermeable ground surface area used for production, offices, storage, laboratories, kitchens, tasting rooms, and paved parking lots for the exclusive use of winery employees. The construction of additional facilities beyond the winery development area may be permitted if required by the director of environmental management to correct health and safety conditions not related to production capacity.
- ❑ **Maximum coverage of new or expanded wineries in open space areas:** 25% of existing parcel or 15 acres, whichever is less. (Coverage in this instance means the aggregate impervious ground surface area, including access roads and aboveground sewage disposal systems.)
- ❑ **Minimum setbacks for new winery structures in open space areas:** 600 feet from state highways, Silverado trail, or arterial County road; and 300 feet from any other public road or private road used by the public. Underground portions of caves are exempt from the setback requirement. Other exemptions are made for historic buildings and the expansion of existing winery structures within the minimum setback.
- ❑ **Maximum annual production capacities for wineries in AP or AW districts:**
  - a. Small wineries: 20,000 gallons or the production limit established as part of the certificate of exemption, whichever is less.
  - b. Wineries established prior to 1974 that never obtained a use permit: production capacity as of 1974.
  - c. Wineries established prior to 1990 after issuance of a use permit: production capacity authorized by the appropriate use permit.
  - d. Wineries established after 1990: production capacity established by the applicable use permit.
- ❑ **Source of wine grapes:** All wineries established after 1990 and located in agricultural districts must obtain at least 75% of their grapes from within Napa County. For the expansion of existing wineries beyond their wine development area, at least 75% of the grapes used to produce wine as a result of the expansion shall be grown within Napa County.
- ❑ **Exemptions for winery use permit approved prior to 1990:** If a winery use permit was approved prior to 1990 and the winery was constructed and in operation prior to 2000, then any inconsistencies with the setback standards and/or “tours and tastings” requirement established in the original use permit would be allowed to continue.<sup>69</sup>
- ❑ **Winery Signs:** Chapter 18.116.060 of the Zoning Ordinance includes the following requirements for winery signs:
  - All winery signs, including, but not limited to any sign containing “open,” “closed,” hours of operation, or identifying sales of wine, shall be governed by use permit or a comprehensive sign plan, and shall be compatible with the design and scale of the winery, its site, structures, and surrounding area.
  - Unless the winery was permitted to conduct public tours or tastings prior to February 22, 1990, a winery that is required to or elects to have a sign identifying the winery at the entrance to or from a public roadway, including a sign attached to or part of an entry structure, must at the same location prominently and legibly post the words “Tours and Tastings by Prior Appointment Only.” Any such sign

<sup>69</sup> Refer to Section 18.104.255 for the complete set of requirements for wineries approved prior to 1990 and have permits that allow inconsistent uses.

must further conform to any applicable standards adopted by comprehensive sign plan, use permit or commission resolution as to size, placement, materials, legibility and maintenance.

- Winery sign design and location shall be consistent with the following standards, unless prior to February 24, 2000, such sign has been approved as part of a use permit, or at any time more restrictive provisions are specified by the applicable use permit or comprehensive sign plan:
  - a. One or more freestanding sign faces limited to a combined total of thirty square feet;
  - b. One or more wall signs limited to a combined total of twelve square feet; and
  - c. A freestanding sign shall have no feature exceeding a height of six feet above the natural grade or four feet above the centerline of an adjoining roadway, whichever is the greater.

Note that the majority of the requirements only apply to wineries in agricultural zoning districts or open space areas.

The Zoning Ordinance does not explicitly limit the size of kitchens at wineries, although restricting the square footage of accessory structure to 40% of the production facility in effect limits the combined area of the kitchen, event space, tasting room, and offices. The Zoning Ordinance does not include limits on: the number of marketing events allowed at a winery, maximum attendance of winery events, parking spaces, the percentage of sales from events versus wine, or the size of the facility in relation to production capacity. In practice, the County regulates many of these physical and operational features through other mechanisms, as described in the following section.

## **2.4 Implementation and Enforcement**

The County regulates the construction/operation of new wineries and the expansion of existing wineries through a use permit process. This section describes the use permit process, including the standard conditions of winery approval, CEQA, enforcement mechanisms, and challenges to implementation. This discussion includes input from three County planning staff and a land use attorney.

### **Standard Conditions of Approval**

The use permit is based on a template with standard conditions of winery approval. Some of the standard conditions are codified in the Zoning Ordinance or another local or state law. The standard template is updated periodically to reflect current County processes, regulations, and environmental review requirements. The current version of the standard template is provided in Appendix B.

Conditions related to winery **operations** include: maximum annual production capacity, number of employees, and hours of operation (no limits during crush). The use permit also describes the proposed physical improvements to the project site including but not limited to: the number of parking spaces; the footprints of loading areas, crush pads, and caves; wastewater system; driveway and roadway improvements (on- and off-site); signage; lighting; landscaping; color of exterior surfaces; gates/entry structures; storm water control; and outdoor storage, screening, and utilities. In addition, the use permits incorporate CEQA mitigation measures (discussed further below), construction-related measures, and conditions required by other County departments.

The use permits include a section on **visitation**, which quotes the definition of “marketing of wine” from the Zoning Ordinance. There are two types of visitation: “tours and tastings” and “marketing events”. For tours and tastings, the permit identifies limits on include maximum daily and weekly visitors (e.g., 50 per day), as well as operational hours and days of the week the tasting room can be open. The subsection on marketing events lists the limits on the type of event, frequency, maximum capacity (number of persons), and time of day (typically 11:00 AM to 10:00 PM). For example, the marketing program may include: 50 events (catered food and wine pairings) of 200 persons/event per year.

Other notable conditions include:

- ❑ **Visitation Log Book:** Wineries with marketing programs must maintain a log book (or similar record) to document the number of visitors and the dates of their visits; the record shall be made available to the planning department upon request.

- ❑ **Tours and Tastings:** The start and finish times of tours and tastings must be scheduled to minimize vehicles arriving and leaving between 4:00 PM and 6:00 PM and shall be limited to the those wines set forth in the Napa County Code for AW and AP zoning districts (essentially using grapes grown for or by the winery).
- ❑ **Marketing Events:** All activity, including cleanup, shall cease by 10:00 PM. Start and finish time of activities shall be scheduled to minimize vehicles arriving or leaving between 4:00 PM and 6:00 PM.
- ❑ **AB 2004:** The applicant shall identify the location of on-site wine consumption consistent with Assembly Bill 2004.<sup>70</sup>
- ❑ **Grape Source:** At least 75% of the grapes used to make the winery's wine shall be grown within the County of Napa. The permittee shall keep records of annual production documenting the source of grapes to verify that 75% of the production is from Napa County grapes. The report shall recognize the Agriculture Commission's format for County of origin of grapes and juice used in the Winery Production Process. The report shall be provided to the Planning, Building & Environmental Services Department upon request, but shall be considered proprietary information not available to the public.
- ❑ **Rental/Leasing:** No winery facilities, or portions thereof, including, without limitation, any kitchens, barrel storage areas, or warehousing space, shall be rented, leased, or used by entities other than persons producing and/or storing wine at the on-site winery, except those specifically authorized in the use permit or pursuant to the Temporary Events Ordinance (N.C.C.Napa County Code Chapter 5.36).
- ❑ **Parking:** The applicant shall identify the location of employee and visitor parking and truck loading zone areas, along with proposed circulation and traffic control signage (if any). Parking shall be limited to approved parking spaces only and shall not occur along access or public roads or in other locations except during harvest activities and approved marketing events. In no case shall parking impede emergency vehicle access or public roads. If any event is held which will exceed the available on-site parking, the shall have prepared an event specific parking plan, which may include valet service or off-site parking with shuttle service to the winery.
- ❑ **Traffic:** Reoccurring and scheduled vehicle trips to and from the site for employees, deliveries, and visitors shall not occur during peak (4-6 PM) travel times to the maximum extent possible. All road improvements on private property shall be maintained in good working condition and in accordance with the Napa County Roads and Streets Standards.
- ❑ **Noise:** Exterior winery equipment shall be enclosed or muffled and maintained so as not to create a noise disturbance in accordance with the Napa County Code. There shall be no amplified sound system or amplified music utilized outside of approved, enclosed, winery buildings.
- ❑ **Monitoring Costs:** The permittee and/or property owner shall cover all staff costs associated with monitoring compliance with permit conditions and mitigation measures, including investigation of complaints (other than those costs related to investigation of complaints of non-compliance that are determined to be unfounded). Violations of conditions of approval or mitigation measures caused by the permittee's contractors, employees, and/or guests are the responsibility of the permittee.

### **Permit Process**

The typical permit process includes the following stages:

1. **Submit Application.** Together with a team of consultants, the applicant will prepare and submit a permit application, including project plans and proposed operational information. They will have a pre-application meeting with County staff.
2. **Staff Evaluation and CEQA Process.** Following submittal, the County begins to evaluate the merits of the proposal. Various county departments will provide comments on the project, such as adequate fire access. The County's evaluation is based in part on an impact analysis and public review process, in accordance with CEQA (discussed further below). The CEQA process depends on the level of review, but generally includes

<sup>70</sup> AB 2004 allowed licensed winegrowers to sell wine to consumers for consumption on the premises, including bottles, wine by the glass, or multiple one-ounce pours of the same product. AB 2004 also allowed consumers to take partially consumed bottles of wine upon departure.

circulating a draft document for comment and at least one public hearing.<sup>71</sup> The County must provide sufficient notice regarding the availability of environmental review documents for review and public hearings. Applicants may also conduct neighborhood outreach independently of the County.

3. **Hearings and Decision.** The Planning Commission must certify the environmental document as complete and accurate, prior to approving the project. At the hearing, the Planning Commission may add additional conditions to the permit. If the Planning Commission approves the project, there is a 10-day appeal period. If appealed, the project would go to the Board of Supervisors for consideration.

4. **Litigation.** If the Board of Supervisors approves the project, opponents can file a lawsuit under CEQA as a last resort. The opponent must provide evidence that the environmental analysis is inadequate or incorrect, or the lead agency (County) did not comply with procedural requirements under CEQA.

### **CEQA Analysis**

The CEQA document analyzes the potential environmental impacts of the project. Consultants typically prepare the document, although the County reviews it and is ultimately responsible for its content and conclusions. Standard conditions are assumed to be part of the project that is analyzed in the document. The environmental document may include mitigation measures to reduce identified impacts to a “less than significant” level. Often, impacts can be reduced through implementation of regulations, General Plan policies, and standard conditions.<sup>72</sup>

Almost all winery use permits in Napa are approved through Negative Declarations (NDs). If the project would result in a significant impact even with the implementation of mitigation measures, the County must prepare an Environmental Impact Report (EIR), which involves a more thorough analysis and lengthy review process. To avoid preparation of an EIR, applicants may scale back their project. The County may choose to prepare an EIR for controversial projects.

NDs cover 16 impact areas: aesthetics, air quality, agricultural and forest resources, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use, mineral resources, noise, public services and facilities, recreation, transportation, and utilities and service systems. In addition to these issues, EIRs also include analyses of energy use, growth inducing impacts, and alternatives to the project. Both NDs and EIRs evaluate **cumulative impacts**, but EIRs typically include a more detailed analysis. In practice, it is difficult to analyze cumulative impacts and very difficult for lead agencies to attribute significant impacts to individual projects, or deny development on the basis of cumulative impacts alone.

The findings of the environmental analysis may constrain certain elements of a proposed winery project. For example, the size of the facility, production capacity, and intensity of the marketing program are generally constrained by traffic and septic system capacity.<sup>73</sup> With the lack of a sanitary sewer system, wineries must use a septic system. Given the alluvial soil conditions, the system requires a large area for the drain field. Therefore, the applicant must show that there is sufficient area to treat wastewater generated by the production facility and ancillary activity at the winery (e.g., kitchen and restroom use).

Traffic impacts are typically based on trip generation rates that are applied to weekday and weekend peak hour volumes and evaluated against level of service (LOS) standards. Because Highway 29 is already operating at LOS D/F (most congested conditions) and Silverado Trail is also operating near capacity, it is very easy to trigger a “significant impact.” The language in the standard conditions of approval on the scheduling of visitation hours to avoid peak commute hour helps the County conclude that a given project will not result in significant traffic impacts.

Any mitigation measures identified in the CEQA document are added to the list of permit conditions. In this manner, CEQA allows lead agencies such as Napa County to regulate certain aspects of wineries on a project-by-project

71 The different levels of review ranging from least involved to most involved include: Statutory and Categorical Exemptions, Negative Declarations (and Mitigated Negative Declarations), and Environmental Impact Reports. Negative Declarations are typically supported by an Initial Study.

72 For example, to compensate for the removal of trees on a project site, the applicant may be required to plant replacement trees on the site at a given ratio. A lead agency may have an adopted ordinance on the replacement ratios based on the size and species of the tree. Although this is a local regulation, it is disclosed in the CEQA document as a mitigation or avoidance measure that reduces environmental impacts.

73 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

basis. They can address site-specific issues including natural constraints and the capacity of built environment (e.g., utility and transportation systems).

Beyond the CEQA analysis, the applicant needs to provide sufficient information to justify the proposed size of the winery and intensity of the marketing program. When determining the allowable amount of daily and annual visitors, the County considers the production capacity and size of the winery, as well as remoteness of the winery and access constraints.<sup>74</sup> It is generally easier to defend a more intense visitation program if the facility is producing larger quantities of wine, consistent with existing trends.<sup>75</sup> The County may ask for changes to the marketing program at pre-application meetings if it seems too high. The Planning Commission can also request changes in response to community concerns, but this is less common. In general, the County planning staff is more likely to recommend approval of proposals if the applicant has done enough research.<sup>76</sup>

### **CEQA Challenges and the Influence of Neighbors**

Anyone can file a lawsuit challenging approval of a project under CEQA, as long as they objected to project approval and presented the alleged grounds for noncompliance orally or in writing during the public comment period or during the public hearing (Section 2117 of CEQA). If the court determines that the analysis in an ND is inadequate based on the “fair argument” standard, they can require preparation of an EIR. In other words, if a lead agency is presented with a fair argument that a project may have a significant effect on the environment, the lead agency shall prepare an EIR even though it may also be presented with other substantial evidence that the project will not have a significant effect (Section 15064 of the CEQA Guidelines).

#### **Vineyard Approval Process**

The installation of new vineyards or expansion of existing vineyards in the hillsides (slopes exceeding five percent) require an Erosion Control Permit, in accordance with the County’s Hillside Ordinance. ECP approval is a discretionary action requiring environmental review under CEQA. Following a lawsuit against Napa County in 2000, the County has routinely required preparation of EIRs for large vineyards or vineyards close to waterways due to special status species concerns.<sup>77</sup>

Napa County has not had to prepare an EIR for a winery-only project.<sup>78</sup> The winery industry is fearful of slipping into the same pattern as vineyard development. The threat of having to prepare an EIR and/or litigation can cause the Board, planning staff, and/or applicant to change the project.<sup>79</sup> If there is vocal opposition to the project, applicants will negotiate with the County, neighbors, and environmental groups and may scale back their project or agree to additional mitigation measures. As a result, neighbors have power in influencing decisions and their concerns are generally accommodated. Applicants will often conduct neighborhood outreach independently of the County to proactively address their concerns.<sup>80</sup> Neighbors are usually concerned about the following “hot button” topics:

- Traffic: visitation-related and truck trips
- Water Availability: many land owners rely on groundwater wells, so this comes up when new winery uses would draw from same aquifer<sup>81</sup>
- Noise: associated with commercial activities and events
- Wildfire: such as those caused by cigarette use during parties

74 Napa County. Resolution No. 2010-48. “A Resolution of the Napa County Board of Supervisors, State of California, Establishing Interpretive Guidance on Marketing Activities for Wineries.” May 11, 2010.

75 County staff investigated this correlation in 2010, finding that smaller wineries have smaller visitation programs, while mid-range producers of premium wine had the most direct marketing. As production went up and the price point went down, visitation needs also went down, since the biggest operators that make mass-market wine are less dependent on tourism. Source: Phone interview with Chris Cahill. Planner, Napa County. December 13, 2012.

76 Email from Suzie Gardner-Gambill. Planner, Napa County. October 25, 2012.

77 Phone interviews with Chris Cahill (November 2, 2012) and Rob Anglin (November 19, 2012).

78 Email from Chris Cahill. Planner, Napa County. December 17, 2012.

79 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

80 Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

81 The Farm Bureau is particularly concerned since “water is a limited resource in Napa”, noting there is a need for groundwater protection/management, especially concerning the aquifer east of the valley.



The combined pressure from neighbors, CEQA requirements, and threat of litigation moderates winery development to a degree. In effect, this combination makes up for the lack of explicit numeric limits on production capacity, marketing events, and other commercial activities established in the zoning code. Having the backing of neighbors and/or CEQA analysis removes some discretion by planners and some heat off the Board to impose restrictions.

The County estimates that about one in five proposed winery use permits are controversial; however, they receive few complaints after they are built.<sup>82</sup>

### **Enforcement**

The County's enforcement system is mostly complaint-based. If one winery is violating the WDO in some way, it is common for neighbors to raise the issue to the offending winery and/or the County.<sup>83</sup> In effect, neighbors and competing wineries can serve as "cops" to enforce the rules.

The County also completes an audit of a random sample of permitted wineries each year to verify maximum production capacities. The audit is based on data provided by the wineries to state and federal agencies, including the Alcohol and Tobacco Tax and Trade Bureau. Recognizing the annual variations in grape harvest and bottling, the County typically averages 3-5 consecutive years of data.

As a result of the 2010 resolution, the audit has started to look at compliance with the marketing program and 75% grape source rule. So far, the County asks the winery to provide their visitation log, but they plan to tighten up the enforcement mechanism overtime. Each year, the audit catches several wineries in noncompliance, which represents a significant minority of the sample.<sup>84</sup>

If the County finds a winery in noncompliance with their use permit through the audit or complaint process, they can make the violator pay for enforcement actions, as described in the monitoring costs section of the permits. For more serious violators, the County used to complete a "compliance check-in" and hold a "revocation hearing" with the Planning Commission. Although the commission could threaten to revoke the permit, they do not want to be the enforcers. The tendency was to ask violators to come back in a year or two to show that they are in compliance. In recent years, the code enforcement staff has been referring egregious violators to the district attorney, who can sue for unfair business practices. They have been getting some pretty large awards. This is a big threat to wineries and seems to be much more effective than the previous approach.<sup>85</sup>

### **Challenges with Implementation**

The County experiences a lot of problems with WDO compliance. Many of the County regulations related to commercial activities are not very easy to enforce. Implementation of the WDO can be frustrating for County staff, in part because they recognize that the demand for marketing activities and events in Napa exceeds what is allowed in the code.<sup>86</sup> Some operations may even make most of their profit from the visitor experience, such as charging for tours and selling merchandise, as opposed to the sale of wine.

For example, County staff senses that many wineries rent out their facilities, which is prohibited. This is especially evident with a winery advertises a "site rental fee" on their website. It is very unusual to get these types of complaints; however, if the County receives a complaint that the winery is making profit from the rental of their facility, the planners feel very limited in their ability to enforce this provision. Requesting to see the winery's books is not particularly effective because the wineries can just fudge the books. The easiest solution would be to ask the winery to remove the advertisement from their website.

Similarly, visitation "by appointment only" is hard to enforce.<sup>87</sup> The County enforces the "by appointment only" rule by asking wineries to keep a log book, which the County can ask to see during an audit. This is not very enforceable because they can simply lie and exceed their maximum number of daily tastings, since County staff

<sup>82</sup> Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

<sup>83</sup> Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

<sup>84</sup> Email from Chris Cahill. Planner, Napa County. November 16, 2012.

<sup>85</sup> Phone interview with Chris Cahill. Planner, Napa County. December 13, 2012.

<sup>86</sup> Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

<sup>87</sup> Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

will not know if the visitor actually made a prior appointment. The staff wishes they could limit daily visitation through parking lot size, which would be a more natural mechanism than limiting visitors per day and would likely be the most effective way to limit commercial activity at wineries when combined with police enforcement of illegal parking.<sup>88</sup> The wineries can use a bus or other modes if need more space for special events. Currently, it is difficult to limit the size of parking lots, as parking is a hot button issue in Napa.<sup>89</sup>

Rob Anglin, a land use attorney that has worked in Napa for several years, thinks the “marketing of wine” definition is complicated and hard to comply with since the language is subject to interpretation.<sup>90</sup> Clients are often legitimately confused about what business events are allowed. The 2010 interpretive guidance, which provided examples, was helpful but it is still somewhat unclear. While Anglin thinks the code could be more user-friendly, he recognizes that variation among wineries and marketing plans makes it hard to come up with standards that apply to all facilities. He also thinks trying to define marketing activities in terms of relationship is fuzzy, questioning whether it really matters if the visitor is a college friend or executive from the Silicon Valley.

In particular, the cost recovery clause about food pairings in the WDO leads to confusion. Technically, the only profit a winery can make during marketing events is from the sale of wine. For non-wine related stuff like food, they can only charge to recover costs. Anglin imagines this is difficult to enforce.<sup>91</sup> The County planning staff has verified this suspicion, noting that wineries can essentially “cook the books”.<sup>92</sup> For example, if they charge \$75 per person and the food cost per person is \$15, they could just claim they are charging \$60 for the wine. Staff could look at the proposed menus during the application phase to make sure they are not charging more than required to recover costs, but there is nothing in the use permit to limit prices of food charged and nothing to stop applicants from marking up the prices after the applicant is approved.<sup>93</sup>

The County, however, has not received complaints about cost recovery since allowing food pairings with tastings in 2010. Staff will probably be able to detect a violation, as it will be hard to hide if a winery starts operating as a restaurant, especially if there are articles written about the “new restaurant” at a given winery. In addition, established restaurants serve as a built-in control, since they will complain if they sense competition from new restaurant services at wineries.<sup>94</sup>

To summarize, McDowell feels that part of the problem is that regulations set the bar so low that very few are operating under it. A solution would be to raise the bar to what everyone is already doing, but the (legitimate) fear is that everyone would push the bar even higher. The County is forced to accept that full compliance and enforcement is not possible given the context. There is a “delicate balance” between control and flexibility. The strength of the wine economy and ability to get a high premium supports a strict regulatory framework, at least in writing.<sup>95</sup> Full enforcement of the WDO, however, could be damaging to the economic viability of wineries, since many rely on a flexible and intensive marketing program. In response to these pressures, the County staff tries to uphold the intent of the WDO as to the extent possible. When implementing the regulations, it generally comes down to whether the winery is operating their facility for agricultural production or as a “tourist trap”.

### ***Additional Challenges with Pre-WDO Wineries***

As described above, the zoning code allows wineries that received a permit prior to 1990 (and were constructed and in operation prior to 2000) to continue any activities that are considered inconsistent with the WDO, in accordance with their original permit.

---

88 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

89 This reflects a wider trend in California. Zoning codes have traditionally included parking minimums by land use types, and CEQA has traditionally looked at insufficient parking as a “significant impact”, although this criterion was recently removed from the checklist in the CEQA guidelines. Traffic analyses generally use standard trip generation rates by land use type rather than parking provided, neglecting the connection between parking supply and trip generation. Thus, planners have little authority to correlate parking with environmental impacts or use CEQA to justify parking limits.

90 Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

91 On a similar note, Anglin noted that the 25 percent income limit applied to wineries in Oregon seems “interesting” and questions how easy that is to enforce.

92 Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

93 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

94 Phone interview with Chris Cahill. Planner, Napa County. December 13, 2012.

95 Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

The County has very little documentation on events occurring at pre-WDO wineries.<sup>96</sup> Weddings and other commercial activities may be permitted uses at these wineries if they were allowed and occurring regularly before 1990, although it is believed that very few were hosting such events prior to that time. Unless the winery has filed a permit since then or the County has reason to investigate code compliance issues, the County does not have any way to regulate activities at pre-WDO wineries. Even though weddings are not allowed at the vast majority of wineries, “illegal” weddings are known to occur in Napa County. The same concept applies to restaurants, as some pre-WDO wineries operate them, but the County has not documented the exact extent.

To recognize that most properties have some nonconforming uses and allow their continuance, the County developed a legal nonconformity certificate program.<sup>97</sup> Essentially, pre-WDO wineries have fewer limits on visitation and their grapes do not have to come from Napa. This disparity in requirements and additional flexibility means pre-WDO wineries have more value compared to post-WDO wineries.

Under the zoning code, when pre-WDO wineries propose an expansion in production capacity, physical building space, or marketing visitation, they need to comply with WDO requirements for new wineries and would need to file for a new or updated permit, triggering the process described above. When this occurs, the County attempts to establish a baseline, in order to determine which new activities are allowable. They refer to the original permit (if any) and require proof that activities occurring prior to 1990 have been ongoing and were consistent with the original conditions. This is very difficult as applicants and their team of attorneys and consultants can play off the ambiguity or lack of past documentation to justify essentially unlimited entitlements. County planners often feel like they go through a dance with the applicants.<sup>98</sup>

To applicants, it can seem like the County makes policy on pre-WDO wineries on a case-by-case basis. The rights of pre-WDO wineries are not very clear in the zoning code.<sup>99</sup> For example, the 75% grape source provision does not apply to pre-WDO wineries, although in order to expand production capacity, they must show that 75% of grapes used for expanded volume comes from Napa. According to a June 2012 staff memo on a winery expansion project:

“The industry has raised a policy issue in response to the current trend of large production requests regarding the integrity of the 75% grape source requirement imposed by the WDO. Primarily, although not explicitly written in the WDO is a question before the Commission of the intent of the WDO: do existing entitlements not subject to the 75% rule have an entitlement to produce non-Napa County fruit wine? Or, does that winery need to establish a baseline percentage that the wine produced at the time of the WDO or at the time of use permit modification. In past practice, the County has not looked at the extent of Napa County fruit sourcing for existing pre-WDO production as part of an expansion request, but it could be argued that wineries that were using Napa County fruit prior to the adoption of the WDO are obligated to continue using that historic level of Napa County fruit for that portion of pre-WDO production. In order to satisfy this question, staff has included a condition of approval that requires the submittal of annual grape source to the Planning Department prior to subsequent increase of production.”

In sum, it is particularly hard for planners to enforce WDO requirements for pre-WDO wineries given the challenges with establishing a baseline, proving the type and degree of marketing activity grandfathered in, and setting new limits based on this evidence.

## **2.5 Monitoring and Evaluation**

The County does not have a formal system for monitoring the outcomes of the regulations. The County evaluates *anticipated* impacts through the CEQA process and General Plan updates, but does not formally conduct post-implementation evaluations to determine the accuracy of projected impacts. The County has not identified a winery “carrying capacity” or system-wide triggers against which the County can evaluate cumulative impacts of the wine industry.

---

96 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

97 Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

98 Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

99 Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

### 3.0 OUTCOMES OF REGULATIONS

In the absence of formal monitoring tools and analyses, this section evaluates outcomes against: the overall objectives of the WDO, cumulative impacts (as assessed in EIRs), the effects of specific provisions, and stakeholder perspectives.

It is important to note that Napa's unique context influences the creation, implementation, and outcomes of the regulations. Key characteristics include:

- ❑ Napa is a small county with limited resources, creating a very constrained wine region.
- ❑ immense development pressure from the rest of the Bay area, driving the need for strong regulations that protect farmland and the local industry. There is a strong heritage of agricultural preservation dating back to the 1950's.
- ❑ Napa can charge a lot for their wine due to strong reputation.
- ❑ Napa is reliant on one crop. Wine grapes generate approximately 98% of the value of County's agricultural crops.<sup>100</sup>
- ❑ Wine and wine-related tourism form the basis of the county's economy. High-end restaurants and hospitality are predominantly located in urban areas.
- ❑ There is a strong sense of cooperation and joint responsibility to uphold the integrity of the Napa brand. This has been Napa's secret to success.<sup>101</sup>

#### 3.1 WDO Objectives

The objective of the ordinance is to protect agriculture and open space as the primary land use in Napa County and ensure continued agricultural viability. The resolution passing the WDO in 1990 states: "The conversion or use of agricultural land for non-agricultural purposes and the depletion of open space land shall be prohibited except to the extent expressly permitted by the Napa County General Plan and any ordinance adopted to implement the General Plan."

Overall, the WDO and associated regulations appear to achieve the objective of protecting agriculture as the primary land use in Napa County. The area under wine grape production increased from 31,155 acres in 1992 to 43,581 acres in 2011.<sup>102</sup> The mechanisms in place are generally believed to have protected Napa's agricultural lands from commercial uses and subdivisions.<sup>103</sup> The most influential mechanisms include the minimum parcel sizes set forth in the GP (Policies AG/LU-20 and AG/LU-21) and Measure J and P. The initiatives that limit residential growth to cities have also reduced potential conflicts between agriculture and residential uses in unincorporated Napa. The monoculture has also minimized potential conflicts between different types of agriculture.

As described in Section 1.2, the wine industry has become very profitable in Napa. Napa has become one of the most respected wine regions in North America, consistently producing and selling high quality wine.<sup>104</sup> Napa produces only four percent of California's wine by volume, but accounts for 21 percent of the state's wine revenue. Originally, some interests opposed the WDO, fearing that restrictions on land use would lower land values. Proponents argued that it would do the opposite, which has occurred.<sup>105</sup> In 2011, the average price paid per ton for all wine grapes was \$3,474.<sup>106</sup> The success of the wine industry and relatively high grape prices reflect continued agricultural viability.

#### 3.2 Cumulative Impacts

The WDO resolution acknowledged that the cumulative effect of individual projects that directly or indirectly remove vineyard land from use is far greater than the sum of individual projects. In addition, "the interspersing of non-agricultural structures and activities throughout agricultural areas in excess of what already exists will result

<sup>100</sup> Napa County. 2005 Napa County Agricultural Crop Report. 2006.

<sup>101</sup> Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

<sup>102</sup> Napa County. Napa County Baseline Data Report (November 2005) and 2011 Agricultural Crop Report (2012).

<sup>103</sup> Email from Suzie Gardner-Gambill. Planner, Napa County. October 25, 2012.

<sup>104</sup> Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

<sup>105</sup> Phone interview with Jennifer Putnam. Executive Director, Napa Valley Grapegrowers. November 27, 2012.

<sup>106</sup> Napa County. 2011 Napa County Agricultural Crop Report. 2012.

in a significant increase in the problems and costs of maintaining vineyards and discourage the continued use of land for agricultural purposes.” The WDO increased the minimum lot size of new wineries to “reduce densities and thereby lessen local visual, traffic, air, noise, and groundwater impacts and reduce the conversion of viable agricultural land.”<sup>107</sup>

As described above, cumulative impacts are addressed through environmental review for individual projects. The County prepared an EIR for the WDO in 1989 and a Negative Declaration in 2010 for the amendments.<sup>108</sup> According to the EIR, the WDO would result in four significant unmitigated impacts, including cumulative traffic impacts, increased demand for solid waste disposal, increased demand for low and moderate income housing, and increased demand for fire protection services. All other impacts could be reduced to levels of insignificance with implementation of the mitigation measures identified in the EIR or similar measures on a case-by-case basis.

Cahill thinks that the 1989 EIR was “stunningly accurate” in terms of the estimated acres of land under vineyards and the grape crop after 20 years.<sup>109</sup> The WDO EIR also addressed the potential for a “visitation arms race” caused by the competition among wineries. There is indication that this is happening, especially in recent years.<sup>110</sup> An extreme example is the Castello di Amoroso, a winery built in 2006 in the form of a huge castle that includes a chapel and charges a \$50 entrance fee.

Since 1990, there is a wide variety in the intensities of marketing programs approved. Smaller wineries tend to have smaller amounts of visitation, while mid-range producers of premium wine engage in the most direct marketing. As production goes up and the price point goes down, visitation needs also tend to decrease, since the large-scale producers make mass-market wine and are less dependent on tourism. As described in Section 1.4, only about 25 percent (107 out of 434 wineries) are currently open to the public for tastings without a prior appointment. These are all pre-WDO wineries, but not all pre-WDO wineries are open to the public as some choose to require a prior appointment for marketing reasons. Only one pre-WDO winery is technically permitted to hold weddings, although the County has very little documentation on events occurring at pre-WDO wineries, as described above.<sup>111</sup> The same concept applies to restaurants, as some pre-WDO wineries operate them, but the County has not documented the exact extent.

The most apparent cumulative impact resulting from winery development and increased commercial activity is related to traffic congestion. The EIR prepared for the 2008 Napa County GP concluded that foreseeable growth in winery numbers and operations would contribute to significant cumulative impacts related to traffic congestion and air quality.<sup>112</sup> According to the EIR: “Traffic levels throughout the County have grown approximately six percent per year since 1982 (the previous General Plan was adopted in 1983), with enormous growth along State Route (SR) 12 between American Canyon and Solano County. The Napa County population has increased at a rate of 1.3 percent, which means traffic growth has outstripped population growth by five to one. The increase in traffic can be attributed to both population growth and a change in job/housing balance. Napa County also experiences higher weekend traffic flows compared to weekday on some roadways, and some months experience higher flows than others due to the agricultural land uses which produce harvest-time traffic booms.”

---

107 Napa County. Winery Definition Ordinance. 1990.

108 Napa County, Department of Conservation, Development and Planning. Notice of Intent to Adopt a Negative Declaration, 2009-2010 Winery-related Zoning Ordinance Amendments and Associated Interpretative Guidance Resolution, County-initiated Zoning Code Text Amendment No. P10-00098-ORD. March 2010.

109 The EIR, however, overestimated the amount of wine produced. Because wine makers have been allowing more “grape drop” for market reasons (not related to the WDO), the amount of wine produced per acre of vineyard has decreased. As a result, there are fewer impacts associated with wine production such as truck trips than predicted. Source: Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

110 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

111 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

112 Napa County, Department of Conservation, Development and Planning. Notice of Intent to Adopt a Negative Declaration, 2009-2010 Winery-related Zoning Ordinance Amendments and Associated Interpretative Guidance Resolution, County-initiated Zoning Code Text Amendment No. P10-00098-ORD. March 2010.

### ***Tasting Rooms in Urban Areas***

It is easier to open and operate tasting rooms in towns because there are fewer regulations. For example, wineries in agricultural areas can only serve wine that was made from grapes grown in the County and/or bottled at the winery. There has been some discussion of promoting more tasting rooms in urban areas, but this trend is mainly market driven.<sup>113</sup> There is backlash from community members in places like Yountville and Healdsburg, who see the rooms overtaking the town and replacing restaurants and services. Furthermore, this trend has not reduced pressure for increased visitation at wineries, as the supply/demand for tasting rooms has increased in both rural and urban areas.

### **3.3 Effectiveness of Specific Provisions**

The most effective provisions seem to be the ratio of accessory uses to production space and the 75% grape source rule. The tours and tastings “by appointment only” rule and the “marketing of wine” provisions have mixed results. Note that the effectiveness of these provisions is based on past and current levels of compliance (refer to Section 2.4 above).

#### ***Ratio of Accessory Uses to Production Space***

As described in Section 2.3, the Zoning Code limits the ratio of accessory uses to the total area of the production facility to 40%. In effect, this provision limits the size of kitchens, office, tasting rooms, meeting rooms, and retail space, but allows for some flexibility on the design of the winery to accommodate the various accessory facilities. It essentially prevents wineries from constructing large event halls and restaurant-scale kitchens.

#### ***75% Grape Source Rule***

The 75% rule has also been effective at supporting the wine industry and protecting farmland because it adds value to growing grapes and owning land in Napa, which is necessary to combat development pressure.<sup>114</sup> Making Napa-grown grapes more expensive forces wineries to operate at a price point, which has made new wineries smaller on average.<sup>115</sup> Although there may be more wineries in number, it has helped preserve agricultural land. It also “prevents “outsiders” from coming in and building a large winery, trucking in cheaper grapes from somewhere else, and leveraging the Napa name to sell their wine.<sup>116</sup> The provision upholds the integrity of the brand and supports local growers and businesses. Exempting wineries located in industrial zones from this rule allows for some mass production using grapes grown outside of Napa.

#### ***Tours By Appointment Only Rule***

The “tours by appointment only” rule has become less effective over time, because people can simply call the winery from their cell phones in the parking lot to make an appointment.<sup>117</sup> Because people can essentially visit a winery at anytime, it has become less effective at reducing traffic impacts (refer to Cumulative Impacts discussion above). As described above, this provision poses challenges to enforcement, given that it is easy for winery operators to “fudge” the visitation log. It is not a natural mechanism for limiting visitation, and physical limits such as parking maximums may be more effective and easier to enforce.

From one perspective, this rule forces wineries to turn away potential customers and contributes to a “snobby” reputation compared to other areas that market a more relaxed, comfortable atmosphere. On the other hand, the provision helps to keep crowds down and create the visitor experience that most winery owners would choose

<sup>113</sup> Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

<sup>114</sup> Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

<sup>115</sup> This provision may be problematic in the future because it essentially creates a market and raises questions about anti-competitive practices.

<sup>116</sup> Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

<sup>117</sup> Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

voluntarily. In this context, visitors are willing to pay a premium for an intimate, personalized experience. This provision may discourage “non-serious” tourists, as Napa has continued to draw “high-end” customers.

### **Marketing of Wine**

The definition of marketing activities as “clearly incidental and subordinate to the primary operation of the winery as a production facility” has reduced the type of commercial activity occurring at new wineries. Post-WDO wineries are limited to tours and tastings (by appointment only), retail sales of wine and wine-related products, and marketing events directly related to the education and development of customers (e.g., parties with small groups of friends or wine-industry representatives, educational events focused on the winery facilities, business events where non-wine-related activity represents less than half of the event, etc.). Tastings and marketing events may include food service as long as the winery charges only to the extent of cost recovery.

Despite these limits, there remains a wide variety in the intensity of marketing programs at both pre-WDO and post-WDO wineries. This variety is a result of flexibility given to pre-WDO facilities and the lack of standard limits on visitation for new wineries. The current mechanism for limiting visitation for new wineries and expansions of pre-WDO wineries is based on the CEQA analysis (traffic and septic system constraints), discretion by the County staff and Planning Commission, and pressure from neighbors. The changing market conditions and challenges with compliance and enforcement has contributed to an “arms race” for additional visitation.

### **3.4 Stakeholder Perspectives**

Stakeholders have debated how much commercial activity should occur at wineries since the 1960s. There have always been fears that Napa is allowing too much tourism and turning into the “Disneyland” of wine regions, which could undermine the industry in the long run. There seems to be general consensus that limits are needed to a degree, but questions remain.<sup>118</sup> What makes a winery more like a large event hall than an agricultural production facility? At what point does Napa become too commercial? Is it enough to rely on the quality of the Napa brand to sustain sales or do we need to be more aggressive with direct marketing? Every individual stakeholder has a different response to these questions.

The NVV strategic plan explicitly makes the protection of the agricultural preserve a top priority, as it sustains and nurtures the wine industry.<sup>119</sup> Although this policy is pretty cut and dry, it can cause conflicts when some wineries want to engage in more commercial activities. They try to fall back on the main purpose of the regulations. Considering the big picture, things are going very well. The regulations are not perfect, but probably never will be.

The priority is the same for the groups primarily representing grape growers (NVG and Farm Bureau). Relative to the NVV, these groups seem to have a more rigid view on the degree of tourism that would adversely affect agricultural viability. Farmland is for farming, and commercial activities directly conflict with agricultural preservation. Wineries are accessory uses and marketing is accessory to wineries.

According to the NVG, commerce and visitation are needed to sell wine, but activities such as retail sales and food service should be restricted.<sup>120</sup> Weddings, large events, and corporate conferences are not appropriate in agricultural lands and can be held in town. They fear that if events like these are allowed, then the County would essentially have to allow any commercial use. The assumption used to be that “more is better” when it comes to commerce and tourism, but they have come to see that this leads to increased traffic, public safety, and other concerns associated with bringing in more people. Accordingly, NVG believes that the WDO is a good guiding document for the industry. The County has a rigorous permit process to reinforce the definition of wineries as accessory uses. Although the regulations are working, it is important to keep working on issues surrounding implementation, compliance, and enforcement. The County did not impose these regulations; rather, the industry initiated them recognizing that it is in their best interest.

The main goal of the Farm Bureau is to safeguard agriculture for all generations.<sup>121</sup> Even a 1% growth rate in unincorporated Napa can have significant cumulative impacts. Growth in cities is desirable and sustainable, but

118 Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

119 Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

120 Phone interview with Jennifer Putnam. Executive Director, Napa Valley Grapegrowers. November 27, 2012.

121 Phone interview with Sandy Elles. Executive Director, Napa County Farm Bureau. November 20, 2012.

they need to educate the urban population on the importance of farmland preservation and impacts of development, so they can make informed choices when voting. The Farm Bureau agrees that the WDO is working; it has helped preserved farmland but still allows wineries to directly market wine to the customer. There is general consensus among members on maintaining the current restrictions. They encourage compliance with the rules in the sense of fairness and achieving the overall goal of farmland preservation.

In recent years, questions have been raised about the WDO. In 2009-10, the County engaged in a nine-month long process to evaluate possible changes to the WDO. This process exemplifies the current issues, stakeholder responses, and the dynamics at play in Napa. The following section summarizes the process, based on stakeholder interviews and articles.

### **WDO Amendment Process**

The Great Recession that began in 2008 hit Napa's wine and tourism industry hard, since many people stopped buying high-end wine and going on vacations. In August 2009, a group from the hospitality industry came forward to ask the County to ease restrictions on social events at wineries due to the struggling local economy, slow wine sales, and desire to increase revenue and maintain a competitive edge in global wine market.<sup>122</sup> They claimed that the County is essentially dictating how a winery can do business and essentially wanted a local stimulus.

In response, the Board of Supervisors directed County planning staff to review the proposed amendments and consider other possible changes. The County involved the wine industry, as represented by the four main trade groups. The County wanted and needed industry buy-in, since they are the heart of the economy and it would be politically infeasible to consider WDO amendments without their input.<sup>123</sup>

The four groups worked together to develop recommended changes, joined by a common economic-related interest.<sup>124</sup> However, the groups representing grape growers (NVG and Farm Bureau) were most concerned about farmland preservation and the effects of additional commercialization on agricultural viability. Conversely, the NVV and individual winery owners are relatively more concerned about their marketing needs, arguing that they need to sell wine in order to keep buying grapes, especially at the high price commanded by Napa grapes. The NVV saw the process as an opportunity to re-evaluate the WDO after 20 years of implementation.<sup>125</sup> The big picture approach was that all winery interest groups are on the same team; although they may not agree on all specifics, it is important to work together to reach general consensus.

The trade groups held their own meetings, while some were held with County staff and others were held in front of the Board of Supervisors. After nine months, the County and wine industry groups reached a more or less unanimous decision on recommended amendments to the WDO. Once the consensus process was complete, staff turned the decisions into an ordinance to amend the zoning code and provide interpretative guidance on the definition of "marketing of wine." The County Board of Supervisors adopted the resolution in May 2010.

The main issue on the table was related to the restriction on social events imposed by the definition of marketing events. Together with a few large wineries, the hospitality representatives proposed a two-year trial program allowing wineries to host more types of events such as weddings, but remaining consistent with the maximum number of events permitted. The hospitality group argued that wineries had no obligation to change operations if they did not want to and that the changes to the WDO would have absolutely no impact on agricultural land. Wine industry representative were reportedly split on the issue, with some lobbying for increased flexibility and others warning against potential over-commercialization of agricultural land.<sup>126</sup> One group suggested a special event permitting process to give the wineries more freedom, although County Supervisors dismissed this idea due to "lack of interest" in the idea.<sup>127</sup>

122 Jenne Hohn and Sasha Souza. "The Reinvention of the Event-based Hospitality Industry in the Napa Valley." Special Events. June 9, 2010.

123 Phone interview with Chris Cahill. Planner, Napa County. December 13, 2012.

124 Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

125 Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

126 Jillian Jones. "County finds middle ground on wine law." Napa Valley Register. March 3, 2010.

127 Ibid.



Ultimately, the Board shot down the proposal, framing the issue in terms of the Agricultural Preserve: weddings are too far removed from the purpose of agricultural land.<sup>128</sup> To address the hospitality industry concerns, one Supervisor recommended that the County work more closely with the Napa Valley Destination Council (“Visit Napa Valley”) to find ways to increase tourism. This recommendation was largely in line with a proposal from the trade group coalition.

The other main issue was raised by the post-1990 wineries that want to remove the requirement for “tours and tastings” by appointment only. Some wineries wanted more flexibility on marketing events and tastings to increase channels for direct sales. Originally, tours and tastings were intended to market to distributors, which was the primary means for selling wine.<sup>129</sup> Most wineries in Napa are small and it is difficult to get the attention of distributors, who have been consolidating and phasing out overtime. With the rough economy and increasing competition, winery owners are looking for more ways to sell to consumers. Consequently, direct sales to the consumer are on the rise. Wine clubs and hosting visitors to the winery help establish on-going relationships.<sup>130</sup> In addition, wineries can charge for tastings as an extra way to make money. Thus, the purpose of tours and tastings has evolved, intensifying the debate over commercial activities at wineries.

The Board considered removing the “by appointment only” rule, but the County would have to complete a traffic study to look at impacts of increased peak hour trips in accordance with CEQA.<sup>131</sup> Currently, the wineries are able to justify that visitations by appointment can be scheduled to avoid the peak hour. The County (and trade groups) was unwilling to pay for the traffic study and the rule remained in place.

Additional issues surrounding the WDO involved the explicit ability for wineries to host business events and to pair food with wine tastings. The interpretative guidance was intended to clarify these requirements, expressly allowing food and wine pairings, business meetings, and corporate retreats, as long as the marketing of wine remains the primary purpose. The resolution recognized that wineries have historically engaged in accessory uses such as tours and tastings to market and sell wine, yet these uses are inappropriate in agricultural areas unless they remain incidental and subordinate to the primary use of a winery as an agricultural processing facility.

Internally, the County planning staff saw the process as an opportunity to improve the quality of winery applications and promote consistent compliance.<sup>132</sup> The changes and guidance would make it easier for winery owners/operators to play by the rules and would strengthen staff’s hand when enforcement issues arise.<sup>133</sup>

The wedding industry responded to the resolution negatively, viewing the decision as tightening of restrictions on events held at wineries.<sup>134</sup> One representative claimed that the WDO was conceived by a group of vintners who continue to thrive today due to high premium commanded for Napa wines.<sup>135</sup> They correctly observed that the winery industry does not perceive a need to change the regulations to the extent that the wedding/event industry does. The hospitality industry said they submitted comments, but was not given a seat at the table during the nine months of discussions.<sup>136</sup>

The response from the wine industry was mixed, but generally positive. It was a delicate process of talking through the needs and perspectives of the various partners within the wine grape industry.<sup>137</sup> Conversely, the process was described as a “bit of a mess” and said to have resulted in some “blood-shed” and damaged relationships. It was seen as somewhat unnecessary by some and an opportunity for improvement by others.

Anglin does not know how much the 2010 amendments/resolution really helped, although the interpretive guidance, which included examples of allowable business/social events, seem to have clarified requirements and provided more certainty to wineries. Elles with the Farm Bureau also said the changes have helped to provide clarity in the

---

128 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

129 Ibid.

130 Phone Interview with Rob Anglin. Attorney, HTRA. November 19, 2012.

131 Jillian Jones, Napa Valley Register. “County finds middle ground on wine law.” March 3, 2010.

132 Napa County. Resolution No. 2010-48. “A Resolution of the Napa County Board of Supervisors, State of California, Establishing Interpretive Guidance on Marketing Activities for Wineries.” May 11, 2010.

133 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

134 Jenne Hohn and Sasha Souza. “The Reinvention of the Event-based Hospitality Industry in the Napa Valley.” Special Events. June 9, 2010.

135 Ibid.

136 Ibid.

137 Phone interview with Sandy Elles. Executive Director, Napa County Farm Bureau. November 20, 2012.

WDO requirements. The process was an opportunity for adapting to changing market conditions, while retaining the core premise of the WDO. For example, allowing wineries to charge for food pairings only to the extent of cost recovery gave wineries more flexibility, but “keeps restaurants in the cities where they belong”.

Stults with the NVV agreed that the process resulted in some improvements, offering a little more flexibility in marketing. They retained the core purpose of protecting the valley, while recognizing that marketing is needed to sell wine. It should be noted that not all NVV members were happy with the outcome. Putnam with NVG also agreed that the resolution allowed for increased marketing flexibility and expansion of permitted uses. The changes to the annual audits that came out of the process are meaningful since they help to ensure compliance with requirements on production volumes, grape source, and marketing events.

In conclusion, the 2009-10 process highlights the stakeholders’ interests, but also the power dynamics at play that affect winery regulation in Napa County. The wine industry has considerable influence, particularly established winery and vineyard owners that have been in Napa for decades. While there is a sense of cooperation among wine interests, there is also competition. As with many industries, businesses are afraid of changing the rules that have benefited them. They have a lot to lose and little incentive to reform the regulations.<sup>138</sup> No one from the wine industry initiated the process and no substantial changes to the WDO have occurred since its adoption. Given the political climate and general support that has built up over last 20 years, it is hard for the County to make changes that most in the industry could agree to.

### **Current Issues**

Since some NVV members were happy with the outcome, they may re-raise some dangling issues in the future. Anglin estimates that about 75 percent of winery owners/operators have no interest in hosting weddings, since they are not worth the trouble and are not as effective at establishing the ongoing connection with customers that other marketing events foster. The majority of wineries, however, would probably be more supportive of eliminating that requirement for “by appointment only” tours and tastings, since they do not want to turn away potential customers. Conversely, many wineries may choose to maintain this practice since it supports a more intimate visitor experience.<sup>139</sup> Since 2010, Putnam with NVG is not hearing any voices for increased flexibility, perceiving that people are generally feeling good about the regulations.

The 75% grape source rule has been raised as a potential issue recently, as more wineries apply to expand production. According to a June 2012 staff memo on a winery expansion project, the industry has raised a policy issue in response to the current trend of large production requests regarding the integrity of the 75% grape source requirement imposed by the WDO.<sup>140</sup> The County is increasingly enforcing this provision, but does not foresee major compliance issues.<sup>141</sup> Labeling and reporting laws serve as a control since wineries are already sourcing at least 75% of their grapes from Napa in order to put “Napa” on the front label of bottles, which is highly desired for marketing purposes. In a July 2011 article, McDowell said he could only recall one case in the last decade in which the 75% rule was an issue.

The Farm Bureau is particularly concerned as they represent grape growers. It is a complex issue that involves a basic understanding of the original intent of the provision.<sup>142</sup> They are considering how the industry has grown since 1990, the current balance between supply and demand, and the long-term effects of grandfathering pre-WDO wineries to be exempt from the requirement. More study is needed before making any recommendations.

The NVV also sees this as an important issue that should be monitored in the coming years.<sup>143</sup> Retroactively applying the rule to pre-WDO wineries could backfire, as they maintain a delicate balance as it is, and tighter restrictions could stretch that balance and ultimately jeopardize the WDO as a whole.

---

138 Phone interview with Chris Cahill. Planner, Napa County. December 13, 2012.

139 Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

140 Kristy Shelton. Napa County, “Background, Raymond Vineyard and Cellar Use Permit Major Modification Application No. P11-00156.” June 20, 2012.

141 Phone interview with Chris Cahill. Planner, Napa County. November 2, 2012.

142 Phone interview with Sandy Elles. Executive Director, Napa County Farm Bureau. November 20, 2012.

143 Phone interview with Rex Stults. Government Relations Director, Napa Valley Vintners. November 21, 2012.

Conversely, the NVG does not perceive the supply of grapes to be an acute problem, but may become one in the future.<sup>144</sup> If supply goes down, then new winery applications would decrease and/or the price of grapes would go up, but they are not seeing any of those economic symptoms. If the County gets an application for a winery that wants to produce a huge amount, there may be concern over how they will meet the 75% rule, but these applications are few and far between.

#### 4.0 CONCLUSION

The stakeholders interviewed for this case study agree that regulations are working well, although there are differences in opinions on specific provisions and challenges with compliance and enforcement. In particular, the WDO, Agricultural Preserve, and Measure J have helped achieve the main purpose of protecting farmland and developing a profitable wine industry. Tourism has contributed to the viability of wine industry, as tours, tastings, and marketing events provide channels for direct sales and ongoing connections with consumers.

All stakeholders, however, indicated to some extent that the regulatory framework in Napa reflects a “delicate balance” between control and flexibility. On one hand, the strength of the industry and ability to get a high premium for Napa wine supports a strict regulatory framework.<sup>145</sup> If prices for Napa wine drop, there would likely be pressure to relax the regulations to allow more types of commercial activity. On the other, if the County was able to fully enforce the WDO as written, it could harm the industry because wineries are currently getting away with more than is technically allowed.

The tendency to “push the envelope” in terms of compliance reflects a tension between competition and cooperation occurring in Napa. Wineries are competing in an “arms race” for more visitors within the region, but also collaborating to promote the brand in the global market. Their collaborative efforts strengthen the industry’s considerable influence on the local government. The historic power dynamics and the economic strength of the industry contribute to overall support for the existing regulatory regime.

Stults warns that the regulatory mechanisms that work well in Napa may not work well everywhere. Napa is unique because they can charge a lot for their wine due to their reputation, and the county’s economy is reliant on the wine industry, both of which affect the balance of wine-related tourism provided in urban areas versus at wineries. Other regions may offer more flexibility in the types of activity allowed at wineries. For example, the county has many high-end restaurants within its towns, close to the rural wineries and vineyards; in other wine regions, wineries may fill a niche by providing restaurant services that may be lacking nearby.<sup>146</sup>

In addition, the Napa AVA is geographically constrained and experiences immense development pressure, making farmland preservation critical to the sustainability of the industry. Putnam elaborates by saying that each region is going to have its own set of threats and concerns, and they must find their own balance between welcoming visitors, while maintaining the landscape and robustness of the industry.<sup>147</sup>

As the wine industry in Napa continues to grow and global market conditions change, the county will continue to experience cumulative pressures on its natural resource base and aesthetic character. Napa, as with other wine regions, will likely struggle indefinitely with finding the balance between protecting the environmental resources upon which the industry depends, while allowing businesses the flexibility to market their wine and increase revenue channels.

---

144 Phone interview with Jennifer Putnam. Executive Director, Napa Valley Grapegrowers. November 27, 2012.

145 Phone interview with John McDowell. Deputy Planning Director, Napa County. November 20, 2012.

146 Phone interview with Chris Cahill. Planner, Napa County. December 13, 2012.

147 Putnam suggest that the use of grandfathering provisions may ease concerns about preserving existing businesses, practices, and character, although this case study highlights several implementation challenges related to pre-WDO wineries.

## 5.0 REFERENCES

**Note:** The Napa County Department of Conservation, Development and Planning was consolidated into the new Department of Planning, Building & Environmental Services in July 2012.

Jenne Hohn and Sasha Souza. "The Reinvention of the Event-based Hospitality Industry in the Napa Valley." Special Events. June 9, 2010.

Jillian Jones. "County finds middle ground on wine law." Napa Valley Register. March 3, 2010.

Kristy Shelton. Napa County, "Background, Raymond Vineyard and Cellar Use Permit Major Modification Application No. P11-00156." June 20, 2012.

Napa County. Ordinance No 947. "Winery Definition Ordinance." Adopted January 22, 1990.

Napa County. Resolution No. 2010-48. "A Resolution of the Napa County Board of Supervisors, State of California, Establishing Interpretive Guidance on Marketing Activities for Wineries." May 11, 2010.

Napa County, Department of Agriculture and Weights and Measures. 2005 Napa County Agricultural Crop Report. 2006.

Napa County, Department of Agriculture and Weights and Measures. 2011 Napa County Agricultural Crop Report. 2012.

Napa County, Department of Conservation, Development and Planning. Napa County Baseline Data Report. November 2005.

Napa County, Department of Conservation, Development and Planning. Notice of Intent to Adopt a Negative Declaration, 2009-2010 Winery-related Zoning Ordinance Amendments and Associated Interpretative Guidance Resolution, County-initiated Zoning Code Text Amendment No. P10-00098-ORD. March 2010.

Napa County. Resolution No. 2010-48. "A Resolution of the Napa County Board of Supervisors, State of California, Establishing Interpretive Guidance on Marketing Activities for Wineries. May 11, 2010.

Napa County, Department of Conservation, Development and Planning. Napa County General Plan. June 2008.

Napa Valley Vintners. "History of Napa Valley Vintners." [http://www.napavintners.com/about/ab\\_1\\_history.aspx](http://www.napavintners.com/about/ab_1_history.aspx)

Napa Valley Vintners. "Napa Green Certification Programs." <http://www.napagreen.org/>

Napa Valley Vintners. "Overview." [http://www.napavintners.com/wines/napa\\_valley\\_wines\\_and\\_winemaking.aspx](http://www.napavintners.com/wines/napa_valley_wines_and_winemaking.aspx)

Napa Valley Vintners. "The Mission of the Napa Valley Vintners." [http://www.napavintners.com/about/ab\\_1\\_mission.aspx](http://www.napavintners.com/about/ab_1_mission.aspx)

Napa Valley Vintners. "Wine Grape Varieties." [http://www.napavintners.com/wines/napa\\_valley\\_grape\\_varieties.aspx](http://www.napavintners.com/wines/napa_valley_grape_varieties.aspx)

MKF Research. Economic Impact of Wine and Vineyards in Napa County. 2005.

Purdue Tourism and Hospitality Research. Napa County Visitor Profile Study & Napa County Economic Impact Study. March 2006.

State of California, Governor's Office of Planning and Research. "A Citizen's Guide to Planning." [http://ceres.ca.gov/planning/planning\\_guide/plan\\_index.html#anchor156525](http://ceres.ca.gov/planning/planning_guide/plan_index.html#anchor156525). January 2001.

Olshansky, Robert B. "The California Environmental Quality Act and Local Planning." Journal of the American Planning Association, 62:3, 313-330. 1996.

Visit Napa Valley. "About Visit Napa Valley." [http://www.visitnapavalley.com/about\\_visit\\_napa\\_valley.htm](http://www.visitnapavalley.com/about_visit_napa_valley.htm)

Visit Napa Valley. "Napa Valley Wineries." <http://www.visitnapavalley.com/wineries.htm>

Visit Napa Valley. "Things to Do in the Napa Valley." [http://www.visitnapavalley.com/things\\_to\\_do.htm](http://www.visitnapavalley.com/things_to_do.htm)

Wine Institute. The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

Yamhill County. "Geography of Yamhill County." <http://www.co.yamhill.or.us/about/geography.htm>

### ***Phone Interviews***

Chris Cahill. Planner. Napa County. November 2, 2012 and December 13, 2012.

Rob Anglin. Real Estate and Land Use Attorney. Holman Teague Roche Anglin (HTRA), LLP. November 19, 2012.

Sandy Elles. Executive Director. Napa County Farm Bureau. November 20, 2012.

John McDowell. Deputy Planning Director. Napa County. November 20, 2012.

Rex Stults. Government Relations Director. Napa Valley Vintners. November 21, 2012.

Jennifer Putnam. Executive Director. Napa Valley Grapegrowers. November 27, 2012.

### ***Email Correspondence***

Chris Cahill. Planner. Napa County. November 16, 2012 and December 17, 2012.

Suzie Gardner-Gambill. Planner. Napa County. October 25, 2012.



# CASE STUDY: SONOMA COUNTY, CA

---

## 1.0 PROFILE OF THE WINE REGION

### 1.1 Geographic Setting

Sonoma County is located in the Coast Ranges, approximately 30 miles north of San Francisco. The county covers about 1,603 square miles (1,026,084 acres), compared to 716 square miles (458,150 acres) for Yamhill County, Oregon.<sup>148</sup> The percentage of the county's area by land cover is shown in the following table.

Land Cover	Percentage
Farmland	15.6%
Grazing	40.8%
Urban/Built Up	7.3%
Water/Other	36.3%

Source: California Department of Conservation, Division of Land Resource Protection.

### Demographics

The population of Sonoma County as of 2010 was 487,011 with 70% living in cities and 30% living in unincorporated areas (California Department of Finance). Sonoma County has nine incorporated cities: Petaluma, Cotati, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, Healdsburg, Cloverdale and Windsor. Santa Rosa is the most significant urban center with a population of 168,841 (35% of the county's total).

### Geology and Hydrology

Sonoma County has numerous geological and hydrological units with two valleys, Knights Valley and Alexander Valley (continuations of the same southeast to northwest trend as the Napa Valley with the Mayacamas Mountains to the east), occupying the northeasterly part of the county. The mountains have an average ridgeline height of approximately 2,000 feet, while some peaks approach 3,000 to 4,000 feet in elevation.<sup>149</sup> Sonoma Valley extends from San Pablo Bay in the south to the east side of Santa Rosa, pinched by the Sonoma Mountains and the Mayacamas Mountains. The central portion of Sonoma County, an area bounded by the cities of Santa Rosa in the northeast, Petaluma in the south and Sebastopol in the west is a mixture of rolling hills, low benches and floodplains commonly referred to as the Llano. The Llano is bounded on the west by the Coast Ranges and the Russian River Valley and on the north by Dry Creek Valley. The mountains that frame all the valleys in Sonoma County except Sonoma Valley in the extreme southeast and Anderson Valley in the extreme northwest drain to the Russian River on its way to the Pacific Ocean. The Russian River watershed covers 921 square miles, over half of the land in the county; the Gualala River, Sonoma Creek and Petaluma River watersheds drain the remainder of the county.<sup>150</sup>

Sonoma County has soils of volcanic, maritime and alluvial origin, with 259 soil types mapped. The coastal areas of the county sit on an active plate boundary defined by the San Andreas Fault.<sup>151</sup>

### Climate

In general, Coastal California experiences a Mediterranean climate with hot, dry summers and cool, wet winters. Characterized by numerous small valleys and proximity to the Pacific Ocean, Sonoma County has a moderate

---

148 US Census Bureau Quick Facts, <http://quickfacts.census.gov/qfd/states/41/41071.html>

149 Baseline Data Report.

150 2008 Sonoma County General Plan.

151 2008 Sonoma County General Plan.

climate cooled by its maritime influence.<sup>152</sup> Much of Sonoma County experiences fog through the morning until noon. The warmest portion of the county is in the extreme north, in the vicinity of Cloverdale.

The prevailing winds flow from the Pacific Ocean to the west where not impeded by highlands and from the south off the San Pablo Bay, particularly during warm summer afternoons.<sup>153</sup>

## 1.2 History of the Wine Industry

*Except where noted, this discussion is based on the Sonoma Vintners and Growers Alliance website.*

The County of Sonoma formed in 1851, with Santa Rosa named the county seat in 1854, the City of Petaluma incorporating in 1858, and Cloverdale incorporating in 1872.<sup>154</sup>

Agriculture has always played a large role in the economy and identity of Sonoma County. In the 1850's, the primary agricultural industries were ranching, wine grapes, hops, and fruit. The first wine grapes were planted shortly after the establishment of Mission San Francisco Solano de Sonoma in 1823. In 1857, Hungarian "Count" Agoston Haraszthy, a pioneer in wine research, planted the first major vineyard of European varieties in Sonoma. By the 1860s Sonoma County was one of the leading wine grape growing counties in the state, producing 1.5 million gallons of wine in 1887. There were 69 wineries in Sonoma County in 1900, which, at the time, led the state in wine production.<sup>155</sup>

The wine industry faced several challenges in the late 19th century and early 20th century. First, an infestation of Phylloxera, an aphid-like pest of commercial grapevines, thwarted the industry's growth.<sup>156</sup> Second, the start of Prohibition in 1920 caused most wineries to close. After the repeal of Prohibition in 1933 growers began to plant grapes again, but by the 1940s the land producing wine grapes (under 10,000 acres) was less than it had been before WW I.<sup>157</sup>

The rate of vineyard development accelerated in the 1980's, personified by industry pioneers like Jess Jackson building the Kendall-Jackson wine label into a wine empire. By 1987 wine grapes had become the leading agricultural commodity in the county in value at \$68 million, rising to \$147 million in twenty years.<sup>158</sup> The Wine Road Barrel Tasting alone attracts 25,000 visitors from 47 states and generates over \$2.5 million in sales in 2010.

Sonoma County has a strong history of wine production and wine grapes have been one of the county's leading commodities over the past century. In the 1990's the number of new vineyards and wineries increased, existing vineyards and wineries expanded, and the capacity and size of the wineries grew. Key wine industry statistics tell the story of this growth. It is estimated that vineyard acreage increased 77 percent from 1988 to 2000 (an average of 2,000 acres of vineyard planted per year), for an annual growth rate of almost five percent. There were an estimated 191 bonded wineries in 2000, up from 58 in 1969. In the same year, there were 794 growers. In 2001, nearly 174,000 tons of grapes valued at \$374 million were produced on about 44,000 acres of bearing vineyards. Wine grapes comprised 64 percent of Sonoma County's total agricultural production value.<sup>159</sup>

Active agriculture, comprised predominantly of vineyard crops, is currently practiced on approximately 58,000 acres within the county (about 6 percent of the County's total area).<sup>160</sup> More than 300 wineries operate in the Sonoma County, ranging in size from multinational corporations to small, family-owned operations producing as few as 500 cases annually.<sup>161</sup>

152 Wine Institute. "The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

153 Wine Institute. "The Appellations of California Wine: the North Coast." 2012. <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

154 Sonoma County Historical Society, <http://www.sonomacountyhistory.org/sonoma-county-timeline/>

155 Sonoma County Historical Society, <http://www.sonomacountyhistory.org/sonoma-county-timeline/>

156 Sonoma County Historical Society, <http://www.sonomacountyhistory.org/sonoma-county-timeline/>

157 Sonoma County Historical Society, <http://www.sonomacountyhistory.org/sonoma-county-timeline/>

158 Sonoma County Historical Society, <http://www.sonomacountyhistory.org/sonoma-county-timeline/>

159 Sonoma County General Plan 2020 Environmental Impact Report, <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

160 Sonoma County Agricultural Commissioner, 2011 Sonoma County Crop Report. [http://www.sonoma-county.org/agcomm/pdf/2011\\_crop\\_report.pdf](http://www.sonoma-county.org/agcomm/pdf/2011_crop_report.pdf)

161 Sonoma County Visitor's Bureau, <http://www.sonomacounty.com/what-to-do/wineries>



Sonoma County has a diverse agricultural base that includes dairy, poultry and nursery stock, although wine grape production lead in value in 2011 at just over \$347 million. The same year Sonoma County's crops were worth more than \$581 million, of which 60 percent was the value of the wine grape harvest.<sup>162</sup> The county has become a world-famous wine region, commanding high prices for its premium grapes and top quality wines.<sup>163</sup>

Tourism is an important part of the County's economy. Over seven million people come to Sonoma County each year.<sup>164</sup> The average visitor to Sonoma County spends \$141 per day, with those staying over-night spending \$292 per day.<sup>165</sup> In addition to visiting wineries and vineyards, other tourist activities offered in the county include:

- Festivals and Events
- Arts, Culture, Music, and Nightlife (art exhibitions at wineries, museums, galleries, and studios; historic architecture; bars, restaurants, theaters)
- Spas & Wellness
- Sightseeing & Tours
- Recreation (hiking, biking, golf, and tennis)

The combined sectors of wine grape production and tourism/hospitality dominate the local economy, with the wine industry accounting for \$2.5 billion in revenue in 2005<sup>166</sup> and related tourism, which generates an additional \$1.4 billion in revenue (about 16,500 jobs) and generating nearly \$87 million in taxes.<sup>167</sup> The total economic impact of the wine and vineyard sector in Sonoma County is estimated to be \$8.2 billion.<sup>168</sup>

### **1.3 Wine Brands and Industry Collaboration**

Sonoma County has 14 separate AVAs, representing distinct microclimates and soils, entirely or partly within the county. The Sonoma Valley AVA was the first to be established in 1982, and Rockpile was the last to be established in 2002. All of Sonoma County and is part of the North Coast AVA.<sup>169</sup>

Pinot Noir and Chardonnay are the most widely planted wine grapes in Sonoma County, followed closely by Cabernet Sauvignon.<sup>170</sup> Other common varieties include Syrah, Sauvignon Blanc, Merlot, and Zinfandel.<sup>171</sup> Less common varieties include Petit Verdot, Malbec, Petit Syrah, and Pinot Grigio/Gris. Rhone Varietals (Carignane among the reds and Viognier among whites) and Italian Varietals (Sangiovese) are increasingly popular.

Sonoma County currently allows agricultural processing to be located on agricultural lands when related to the primary agricultural activity in the area. Current practice generally interprets this policy to mean that at least 50 percent of the product should come from Sonoma County. Industry representatives are in favor of this policy because it affords flexibility regarding the source of grapes during different economic cycles. According to an internal assessment, the importation of grapes for processing in Sonoma County is estimated to be about half of the existing production capacity of Sonoma County wineries, mostly attributed to the comparatively small number of the larger wineries in the county that produce some wines with the California designation. Smaller wineries tend to produce and market their wines with the federal labeling requirements for Sonoma County, Sonoma County appellation, and / or Sonoma County Estate wines that would preclude using grapes not grown locally.<sup>172</sup>

The Sonoma County Vintners is the primary non-profit trade association in the region. Growing since its establishment in 1946, the association currently represents more than 170 Sonoma County wineries.<sup>173</sup> Working closely with other

162 Sonoma County Agricultural Crop Report, 2011. [http://www.sonoma-county.org/agcomm/pdf/2011\\_crop\\_report.pdf](http://www.sonoma-county.org/agcomm/pdf/2011_crop_report.pdf)

163 Sonoma County Vintners, <http://www.sonomawine.com/about-sonoma-county/history-of-sonoma-county-wine-country>

164 Sonoma County Visitor's Bureau, <http://www.sonomacounty.com/media/statistics>

165 Sonoma County Visitor's Bureau, <http://www.sonomacounty.com/media/statistics>

166 Sonoma County Vintners, <http://www.sonomawinegrape.org/files/Sonoma-County-Viticulture-History-SCWC.pdf>

167 Sonoma County Visitor's Bureau, <http://www.sonomacounty.com/media/statistics>

168 Sonoma County Vintners, <http://www.sonomawinegrape.org/files/Sonoma-County-Viticulture-History-SCWC.pdf>

169 Wine Institute. "The Appellations of California Wine: the North Coast." 2012.

<http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

170 Sonoma County Agricultural Crop Report, 2011. [http://www.sonoma-county.org/agcomm/pdf/2011\\_crop\\_report.pdf](http://www.sonoma-county.org/agcomm/pdf/2011_crop_report.pdf)

171 Sonoma County Agricultural Crop Report, 2011. [http://www.sonoma-county.org/agcomm/pdf/2011\\_crop\\_report.pdf](http://www.sonoma-county.org/agcomm/pdf/2011_crop_report.pdf)

172 Sonoma County General Plan 2020 Environmental Impact Report, <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

173 Sonoma County Vintners, <http://www.sonomawine.com/sonoma-county-vintners>

Sonoma County organizations like the Sonoma County Winegrape Commission and the Sonoma County Tourism Bureau, they build the profile of Sonoma County as a premium grape-growing and wine-producing region.<sup>174</sup>

The Sonoma County Winegrape Commission represents over 1,800 grape growers, vineyard owners, and associate businesses in Sonoma County. Their goal is “to increase awareness and recognition of the quality and diversity of Sonoma County’s grapes and wines through dynamic marketing and educational programs targeted to wine consumers around the world”.<sup>175</sup> In addition to local organizations, the Wine Institute represents more than 1,000 wineries and affiliated businesses throughout the state. Along with local festivals and events, Sonoma County hosts an annual Sonoma Wine County Weekend event, with a multimillion-dollar charity auction<sup>176</sup>, and the Sonoma Wine Road tasting route through the Dry Creek Valley and the Russian River Valley.

#### 1.4 Characteristics of Wineries and Growers

For the purposes of characterizing the wineries in Sonoma County, this section is based on information found on the Sonoma County Vintners website, unless otherwise noted.

### Sonoma Wineries by Type

Type of Winery	Number	Percentage of Total	Notes
Open to the public	106	62%	These wineries have regular hours that they are open to visitors, and no advance appointment is required to visit. Hours vary by winery.
Open by appointment	24	14%	These wineries have a county conditional use permit that requires visitors to make an appointment.
Closed to the public	40	4%	These wineries have no visitation.
Tours by appointment	7	46%	These wineries offer tours but by appointment only.
Dog friendly	54	32%	No need to leave the dog home alone while visiting these wineries, bring him/her along!
Weddings	14	8%	These wineries allow weddings as permitted in a CUP.
Meeting space available	23	14%	These wineries offer meeting space for corporate and/or social functions.
Picnic areas	55	32%	These wineries offer picnic grounds for guests’ use.
Organic/Biodynamic	9	5%	These wineries practice sustainability in the winery and/or vineyard.
Unique architecture	16	9%	These wineries feature some form of unique or interesting architecture.
Wine caves	9	5%	These wineries utilize caves for wine production and other purposes, and these may be available for tour.

<sup>174</sup> Sonoma County Vintners, <http://www.sonomawine.com/sonoma-county-vintners>

<sup>175</sup> Sonoma County Winegrowers, <http://www.sonomawinegrape.org/about-u>

<sup>176</sup> Wine Country Weekend [www.winecountryweekend.com/](http://www.winecountryweekend.com/)

## 1.5 *Geographic Distribution of Wineries and Wine-related Activities*

Vineyards and wineries in Sonoma County are clustered around the arterial roads passing through its major AVAs, Hwy 12 in Sonoma Valley, Hwy 116 and Westside Road in the Russian River Valley, Hwy 101 and Hwy 128 in the Alexander Valley, and Dry Creek Road in the Dry Creek Valley. Many Alexander Valley and Dry Creek Valley wineries have tasting rooms in nearby Healdsburg. Similarly, some Sonoma Valley wineries operate tasting rooms around the historic square in the town of Sonoma.

Traditionally, Sonoma County has had more vineyard operators than wineries. Large vineyard owners, such as Dutton Ranch, and converted Gravenstein apple growers, like Martinelli<sup>177</sup>, have established wineries in the past twenty years. Dutton Ranch still sells grapes to thirty Sonoma County wineries in addition to providing vineyard-designated fruit to another seven wineries in the county.<sup>178</sup> Wineries today control more vineyards near their facilities, as the number of wineries in the county has doubled over the past two decades.<sup>179</sup> Vineyards proliferate in the narrow valleys, undulating hills and coast headlands of Sonoma County.

## 1.6 *Commercial Activities Related to Wineries*

Sonoma County regulates marketing and events at wineries based on the ability of the site to accommodate related activities that are proportional to onsite wine making and are ancillary and subordinate to agriculture. Marketing and event activities that would take agricultural land out of production are discouraged. All proposed winery activities are evaluated through the conditional use permit (CUP) process. The CUP process is preferred in Sonoma County because it provides flexibility in permitting winery uses on a site-specific basis meeting standards for noise, traffic, hours of operation, lot coverage, effluent disposal and groundwater availability.<sup>180</sup>

Active winery CUPs are enforced through neighbor and third party complaints. Violations of winery CUPs in Sonoma County come from neighboring wineries concerned the violator may be compromising the pedigree of their collective AVA. Sonoma County prefers the flexibility of CUPs to permit wineries to offer the kinds of visitor amenities (food, lodging, festivals and events) that diversifies farm income and encourages winery tourism. Debates concerning farm stays and the role of spas and restaurants at wineries are ongoing as businesses and regulators seek the appropriate scale for winery-related activities in different parts of the county.<sup>181</sup>

The agricultural tourism industry has grown in recent years as agricultural operations tap into the value of tourism to maintain long-term economic health. While this type of development could be accommodated on lands with Recreation and Visitor-Serving Commercial (RVSC) zoning, relatively few areas are left in the unincorporated area where such new development could occur. Policies in the General Plan allow various visitor-serving uses such as tasting rooms, bed and breakfasts, and direct on-site sales, provided they are incidental and secondary to local agricultural production.

While the intent is to limit these uses in size and intensity, a tension exists between policies that would promote the development of visitor-serving uses and policies intended to assure that agricultural production remains the primary use of these lands. This type of development would have a beneficial economic impact on Sonoma County agriculture and therefore support the county's agricultural preservation efforts. However, the continued growth of this industry would still convert agricultural land to non-agricultural uses and could generate land use conflicts with agricultural production on adjacent land.<sup>182</sup>

177 Martinelli Winery, [http://www.martinelliwinery.com/about\\_us/index042009.html](http://www.martinelliwinery.com/about_us/index042009.html)

178 Dutton Ranch, <http://www.duttonranch.com/timeline/>

179 Sonoma County Connections, <http://www.sonomacountyconnections.org/>

180 Telephone conversation with David Shiltgen, Sonoma County planner, 10/31/12

181 Telephone conversation with David Shiltgen, Sonoma County planner, 10/31/12

182 Sonoma County General Plan 2020 Environmental Impact Report, <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

## 2.0 LAND USE MANAGEMENT AND WINERY REGULATION

### 2.1 *Land Use Management in California*

#### *General Plans and Zoning*

City and county governments in California are the sole controllers of land use regulation and formulators of development policy (Hart, 2003). State law mandates that all cities and counties adopt “a comprehensive, long-term general plan for [its] physical development” (similar to Oregon’s “Comprehensive Plan”).<sup>183</sup> Zoning must comply with the general plan in all counties and general law cities (not charter cities).<sup>184</sup>

#### **CEQA**

Prior to any discretionary action by a governmental agency that would have a physical effect on the environment such as approval of a development permit or a rezoning, the agency must complete a review process in compliance with the California Environmental Quality Act (CEQA).<sup>185</sup> This state law is similar to the National Environmental Policy Act (NEPA), which requires environmental review of proposed projects undertaken or funded by federal agencies. The primary purpose of these laws is to disclose the potential impacts of a project and ensure that decision makers analyze and consider the environmental effects of their actions. CEQA has played a large role in land use management since its adoption in 1972.

#### *Williamson Act*

The California Land Conservation Act, known as the Williamson Act, allows counties to establish agricultural preserves with landowners who are engaged in commercial agricultural operations. It is intended to help conserve agricultural lands as an important economic resource, to assist in insuring adequate food supply for future generations, and to encourage the preservation of lands with unique open space or habitat value. In signing a contract with Sonoma County, the landowner agrees to retain his or her land in agricultural or open space uses for at least ten years, and the contract will run with the land when it is sold. Lands under Williamson Act contracts are appraised by the County Assessor based on their agricultural productivity rather than on their market value, which can greatly reduce tax obligations for the landowner. Lands under Williamson Act contracts must meet specific requirements including county zoning limitations, minimum lot size, and minimum annual gross returns from the agricultural use. The contract is for a minimum of ten years and automatically renews annually until either the County or the landowner submits a non-renewal request. Except under exceptional circumstances, the contract will then phase out over the course of the remaining nine-year period.<sup>186</sup>

### 2.2 *Land Use Management in Sonoma County*

The overall development strategy of county officials has been to concentrate growth around the city of Santa Rosa, with communities like Windsor, just to the north, more than doubling in size in ten years. Windsor became incorporated, in part, to manage its own growth. The general consensus among county residents, planning professionals and elected officials is to steer development to the Hwy 101 corridor where urban services are available.<sup>187</sup>

Growth controls in other parts of the county have been left to the cities, with Petaluma limiting the number of building permits issued annually to 500 for a five year period in 1971 (the policy survived a US Supreme Court challenge)<sup>188</sup> and Sonoma taking a slow growth approach. Since the 1970’s, conservation advocates throughout Sonoma County have supported land use regulations encouraging planners to limit urban development on prime agricultural lands, anticipating a push in growth.

<sup>183</sup> California Government Code (Sections 65000 et seq.).

<sup>184</sup> Governor’s Office of Planning and Research, [http://ceres.ca.gov/planning/planning\\_guide/plan\\_index.html#anchor156525](http://ceres.ca.gov/planning/planning_guide/plan_index.html#anchor156525)

<sup>185</sup> California Public Resources Code (Sections 21000 et seq.)

<sup>186</sup> This paragraph is from the Sonoma County General Plan 2020 Environmental Impact Report.

<sup>187</sup> Landis & Zhou, Pilot Study of Solano and Sonoma Counties Land Use and Development Policy Alternatives.” University of California Transportation Center, 1994

<sup>188</sup> Sonoma County Library Petaluma History Room Flyer, <http://www.sonomalibrary.org/history/PetaHistRoomFlyer.pdf>

The County adopted its first Master Plan in 1955. Understanding the importance of local agriculture to Sonoma County, an Agricultural Resources Element was included as part of a General Plan update in 1989. Each city in Sonoma County (except Cloverdale) had adopted voter-approved urban growth boundaries by 1989.<sup>189</sup>

A primary goal of the existing General Plan is to protect agriculture. Visitor-serving uses on agricultural lands designated in the existing General Plan must support agriculture, but be secondary to production and processing. Such uses are limited to those encouraging wine tourism, like tasting rooms, weddings, restaurants, bed and breakfast inns, and picnic areas. Other existing General Plan rural lands allow agricultural tourism uses, but at a much more limited scale than agricultural lands.<sup>190</sup>

Absent cohesive County-led strategies for agricultural conservation, Sonoma County landowners formed the Sonoma Land Trust in 1976. The Sonoma Land Trust is a non-profit organization that currently holds more than 25,000 acres of private land protected from development, either in conservation easements or owned-in-fee by the Land Trust.<sup>191</sup> The Land Trust also owns lands outright, some of which will be transferred to government natural resource agencies or other nonprofit foundations. The Sonoma Land Trust's ability to protect open space in the county was enhanced in 1990 when voters passed a quarter cent sales tax to form the Sonoma County Agricultural Preservation and Open Space District. The District has been instrumental in preserving over 83,000 acres of land since then.<sup>192</sup>

In 2003, the County began a comprehensive update of their General Plan. The updated plan was adopted in 2008. The Sonoma County General Plan strongly emphasizes preservation of agriculture while promoting the viability of the local wine industry. The General Plan Agricultural Resources Element includes the following goal statements:

- ❑ Promote a healthy and competitive agricultural industry whose products are recognized as being produced in Sonoma County.
- ❑ Allow farmers to manage their operations in an efficient, economic manner with minimal conflict with nonagricultural uses.
- ❑ Allow new visitor serving uses and facilities in some agricultural areas but limit them in scale and location. These uses must be beneficial to the agricultural industry and farm operators and compatible with long-term agricultural use of the land.

### **2.3 Land Use Provisions Governing Vineyards and Wineries**

#### **General Plan**

The 2008 Sonoma County General Plan contains goals and policies related to the regulation of wineries and vineyards, recognizing the role of the County to help position the wine industry to compete globally, the need for the wine industry to adapt, and the need for policies that “balance the need for agricultural processing and related uses with the continued preservation of the rural character and agricultural diversity of the County and reduce “the reliance of County processing facilities upon raw agricultural products imported from outside Sonoma County highlights the importance of demonstrating ‘connection’ to local production in order to avoid County agricultural lands becoming de facto industrial lands.”<sup>193</sup> Policy 2.1 in the General Plan encourages the marketing and promotion of Sonoma County's agricultural products in recognition of the importance of agriculture to the local economy. Policy 2.1 reads as follows:

“Successful promotion and marketing of agricultural products grown in Sonoma County can both enhance the County's image and reduce economic pressure on farmers and ranchers to subdivide or convert the land to nonagricultural uses. In the future, Sonoma County can expect challenges to its resources, particularly energy and water. Currently many farms, ranches and agricultural businesses are finding innovative ways to implement renewable resource programs and conserve energy, water and soil while increasing the economic viability of agriculture and thereby strengthening the local food system. Economic sustainability is being encouraged through niche marketing, direct marketing

189 Sonoma County General Plan 2020 Environmental Impact Report, <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

190 Sonoma County General Plan 2020 Environmental Impact Report, <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

191 Sonoma Land Trust, <http://www.sonomalandtrust.org/discover/history.html>

192 Sonoma County Agricultural and Open Space District, <http://www.sonomaopenspace.org/Content/10114/profile.html>

193 Page AR-8, Sonoma County General Plan

and evolving practices improving farm business management and intergenerational transfer of farms and ranches.”<sup>194</sup>

### **Right to Farm**

Sonoma County’s Right to Farm ordinance was originally adopted in 1988 and revised in 1999 to include stronger disclosure requirements. The basic intention of the ordinance is to provide public policy support for maintaining the viability of agriculture in Sonoma County. Two of the major features of the Right to Farm ordinance are the farmers’ right to conduct agricultural operations, and that legal, properly conducted agricultural operations will not be considered a nuisance. Neighbors retain the right to file complaints regarding agricultural activities. The protections afforded by the ordinance apply only to agricultural operations on certain agriculturally zoned parcels.

Right to farm ordinances generally affect code enforcement activities and have the intent of reducing opposition from residential neighbors to commercial agriculture as a nuisance generator. Landowners within the unincorporated county are required to disclose the Right to Farm ordinance provisions to prospective buyers as part of real estate transactions, at the close of escrow and in a recorded document.

### **Zoning Ordinance**

The Sonoma County Zoning Regulations include three agricultural use categories: Land Intensive Agriculture (LIA), Land Extensive Agriculture (LEA), and Diverse Agriculture (DA). Each category permits the full range of agricultural uses. The categories differ primarily in the types and intensities of agricultural support services, visitor-serving uses, and residential densities. Sonoma County regulates wineries through agricultural processing definitions and code provisions – the county has no winery definition ordinance.

All new wineries and uses associated with winery operation (marketing, tours and tastings, retail sales, etc.) are evaluated on a site-specific basis pursuant to a conditional use permit. A conditional use permit is granted only when traffic, groundwater and cultural resource studies support a proposal and the proposed footprint of impervious surfaces at the winery site do not exceed 5% of the land area for parcels exceeding 20 acres in size.<sup>195</sup> Compliance with the conditions of a conditional use permit is effected through a permit fee to ensure conditions of approval are met and through neighbor complaints lodged with the county code compliance officer.<sup>196</sup>

The Sonoma County Zoning Code establishes agricultural setbacks to buffer commercial agricultural operations (on lands designated agricultural in the existing General Plan) from adjacent non-agricultural land uses. Generally, the buffer is defined as a physical separation of 100 to 200 feet from the proposed development.<sup>197</sup>

Agricultural zoning provides for one dwelling unit to 20 to 100 acres residential density in the County’s Land Intensive Agriculture (LIA) zone, 60 to 320 acres residential density in the Land Extensive Agriculture (LEA) zone, and 10 to 60 acres residential density in the Diverse Agriculture (DA) zone.<sup>198</sup>

### **Siting, Size, and Design**

Minimum lot size for new wineries: 2 acres. Minimum setbacks for new winery structures in open space areas:

- ❑ 30 feet from the front property line (20 feet rear; 10 feet side), except in B districts where a 55 foot setback from the centerline of all roads and streets.

Maximum coverage of new or expanded wineries: (Coverage in this instance means the aggregate paved or impervious ground surface area.)

- ❑ On parcels of two acres in size or less: twenty percent (20%);
- ❑ On parcels greater than two acres up to and including five acres in size: 18,000 SF or fifteen percent (15%), whichever is greater;

194 Sonoma County General Plan, <http://www.sonoma-county.org/prmd/gp2020/are.pdf>

195 Article 4, Sonoma County Zoning Regulations

196 Telephone conversation with David Shiltgen, Sonoma County planner, 10/31/12

197 Sonoma County General Plan 2020 Environmental Impact Report, <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

198 Article 8, Sonoma County Zoning Regulations

- ❑ On parcels greater than five acres up to and including 20 acres in size: 30,000 SF or ten percent (10%), whichever is greater; and
- ❑ On parcels greater than 20 acres in size: 85,000 SF or five percent (5%), whichever is greater.

### ***Tastings and other On-site Activities***

Tours and tastings are regulated on a site-specific basis, predicated on the carrying capacity of the land and the requirements of CEQA. Winery events not covered in an approved conditional use permit can be allowed pursuant to a Temporary Use Permit or an event permit.

## **3.0 OUTCOMES OF REGULATIONS**

### **3.1 *Effectiveness***

Sonoma County's broad definition of "agricultural processing" for winery operations has necessitated the use of CUPs to characterize permitted uses at wineries. While permitting wineries through a CUP process has offered county planners flexibility to allow winery uses based on the limitations of individual sites, administration of CUPs is difficult since permitted uses for individual wineries vary based on their conditions of approval.

A telephone conversation with Sigred Swedenburg<sup>199</sup>, a Sonoma County planner specializing in winery CUPs, clarified the county's approach to regulating wineries. Sigred is a strong proponent for not codifying standards for wineries. Sonoma County's diverse geography, agricultural base and community culture are better suited to a more flexible system. Sonoma County's winery CUP process accounts for a variety of agricultural settings by aligning permitted uses with a winery site's attributes and limitations.

### **3.2 *Benefits***

The CUP approach to winery regulation taken by Sonoma County provides flexibility to evaluate individual winery proposals based on their environmental impact, the availability of public facilities, including roads, and on surrounding land uses. Winery operations and accessory uses can then be sized appropriately, considering parcel size, lot coverage, traffic generation, noise and effluent disposal. The CUP system for permitting wineries has worked well in most areas of Sonoma County. However, in areas with high winery density, like Sonoma Valley and Dry Creek Valley, traffic and other negative externalities of wineries have adversely impacted communities.

### **3.3 *Problems***

The incompatibility of wineries with nearby land uses has created friction in some parts of Sonoma County. Two new county supervisors were recently elected on anti-winery platforms. Conservation advocates who believe too much land is being converted to vineyard and winery uses supported one of the supervisors; neighbors displeased with winery noise and traffic supported the other supervisor.

Approved wineries in Sonoma County are routinely violating the conditions of their CUPs by staging events that exceed limits on visitation, traffic generation, parking and noise, according to Sigred Swedenburg. Moreover, winery neighbors are not reporting violators to the county code compliance team. Local policy dictates that absent a complaint, a code compliance officer cannot take action against violators, creating a situation where flagrant and repeated violations occur at some wineries.

### **3.4 *Initiatives to Address Issues***

Planners in Sonoma County sought to address winery-related land use conflicts by creating distance (spacing) standards for wineries. While distance standards would have mitigated some traffic issues, especially in areas with a number of wineries like Sonoma Valley, it was politically untenable as a regulatory remedy.

Sonoma County planning staff also attempted to cure violations of CUP conditions related to winery events by crafting an internal discussion paper

<sup>199</sup> Telephone conversation on December 10, 2012.

([http://www.sonomacounty.org/prmd/docs/divpages/PlanningAgencyPromotionaEventsMemo\\_20121129.pdf](http://www.sonomacounty.org/prmd/docs/divpages/PlanningAgencyPromotionaEventsMemo_20121129.pdf)<sup>200</sup>)

that defines winery events, provides an overview of current county regulations, identifies key issues and outlines best practices. The discussion paper is currently being considered at the staff and appointed official level and may be brought before the County Supervisors in the future for adoption.

New wineries in the county are given provisional approval to process wine during a two-year review period to ensure CUP conditions of approval for winery events are met and there are no reports of violations from neighbors. Enforcement of winery CUP provisions beyond the initial permit review period could be strengthened by an audit program however. By randomly selecting a handful of wineries to check event compliance, a signal would be sent to all Sonoma County wineries holding events that violators will face repercussions, including the revocation of their CUP.

#### **4.0 REFERENCES**

California Government Code (Sections 65000 et seq.).

California Public Resources Code (Sections 21000 et seq.).

Dutton Ranch website, accessed November 26, 2012 <http://www.duttonranch.com/timeline/>

Governor's Office of Planning and Research, [http://ceres.ca.gov/planning/planning\\_guide/plan\\_index.html#anchor156525](http://ceres.ca.gov/planning/planning_guide/plan_index.html#anchor156525)

Landis & Zhou, Pilot Study of Solano and Sonoma Counties Land Use and Development Policy Alternatives." University of California Transportation Center, 1994

Martinelli Winery website, accessed November 26, 2012 [http://www.martinelliwinery.com/about\\_us/index042009.html](http://www.martinelliwinery.com/about_us/index042009.html)

Napa County Conservation, Development and Planning Department. Napa County

Baseline Data Report Version 1, November 2005

Sonoma County Agricultural Commissioner, 2011 Sonoma County Crop Report, accessed November 19, 2012 [http://www.sonoma-county.org/agcomm/pdf/2011\\_crop\\_report.pdf](http://www.sonoma-county.org/agcomm/pdf/2011_crop_report.pdf)

Sonoma County Agricultural and Open Space District, accessed November 19, 2012 <http://www.sonomaopenspace.org/Content/10114/profile.html>

Sonoma County Connections, accessed November 19, 2012 <http://www.sonomacountyconnections.org/>

Sonoma County Historical Society, accessed November 19, 2012 <http://www.sonomacountyhistory.org/sonoma-county-timeline/>

Sonoma County Permit and Resource Management Department, "2008 Sonoma County General Plan", accessed December 5, 2012 <http://www.sonoma-county.org/prmd/>

Sonoma County Permit and Resource Management Department, "Sonoma County General Plan 2020 Environmental Impact Report", accessed November 26, 2012 <http://www.sonoma-county.org/prmd/gp2020/gp2020eir/index.htm>

Sonoma Land Trust, accessed November 3, 2012 <http://www.sonomalandtrust.org/discover/history.html>

Sonoma County Library Petaluma History Room Flyer, accessed November 3, 2012 <http://www.sonomalibrary.org/history/PetaHistRoomFlyer.pdf>

Sonoma County PRMD Internal Memo Regarding Agricultural Promotion Events dated November 29, 2012, accessed December 5, 2012 [http://www.sonoma-county.org/prmd/docs/divpages/PlanningAgencyPromotionaEventsMemo\\_20121129.pdf](http://www.sonoma-county.org/prmd/docs/divpages/PlanningAgencyPromotionaEventsMemo_20121129.pdf).

<sup>200</sup> Sonoma County PRMD Internal Memo Regarding Agricultural Promotion Events dated November 29, 2012.



Sonoma County Vintners, accessed October 29, 2012 <http://www.sonomawine.com/about-sonoma-county/history-of-sonoma-county-wine-country>

Sonoma County Visitor's Bureau, accessed October 29, 2012 <http://www.sonomacounty.com/what-to-do/wineries>

Sonoma County Winegrowers, accessed October 29, 2012 <http://www.sonomawinegrape.org/about-us>

Sonoma County Permit and Resource Management Department, "Sonoma County Zoning Regulations", accessed December 5, 2012, <http://www.sonoma-county.org/prmd/docs/zoning/index.htm>

Telephone conversation with David Shiltgen, Sonoma County planner, 10/31/12

US Census Bureau Quick Facts, accessed November 3, 2012 <http://quickfacts.census.gov/qfd/states/41/41071.html>

Wine Country Weekend, accessed November 19, 2012 [www.winecountryweekend.com/](http://www.winecountryweekend.com/)

Wine Institute. "The Appellations of California Wine: the North Coast." 2012, accessed October 29, 2012 <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

# APPENDIX A

## Sonoma County Agricultural Policies and Zoning Regulations

### Sonoma County General Plan 2020

#### Agricultural Resources Element

#### 2. GOALS AND POLICIES RELATED TO AGRICULTURE

##### 2.1 *Assist in the Marketing and Promotion of Sonoma County's Agricultural Products*

Successful promotion and marketing of agricultural products grown in Sonoma County can both enhance the County's image and reduce economic pressure on farmers and ranchers to subdivide or convert the land to nonagricultural uses. In the future, Sonoma County can expect challenges to its resources, particularly energy and water. Currently many farms, ranches and agricultural businesses are finding innovative ways to implement renewable resource programs and conserve energy, water and soil while increasing the economic viability of agriculture and thereby strengthening the local food system. Economic sustainability is being encouraged through niche marketing, direct marketing and evolving practices improving farm business management and intergenerational transfer of farms and ranches.

In recent years, the organic agricultural industry has been established and has grown rapidly. The success of this industry is projected to influence the agricultural economy in the coming decades. In addition to generating additional income, this industry has the advantage of providing diversity in the agricultural base of the County.

This element establishes policies that will assist in promoting and marketing agricultural products grown or processed in Sonoma County.

#### GOAL AR-1:

##### Objective AR-1.1: Objective AR-1.2:

**Promote a healthy and competitive agricultural industry whose products are recognized as being produced in Sonoma County.**

Create and facilitate opportunities to promote and market all agricultural products grown or processed in Sonoma County.

Permit marketing of products grown and/or processed in Sonoma County in all areas designated for agricultural use.

**The following policies shall be used to achieve these objectives: Policy AR-1a:** Permit a wide variety of promotional and marketing activities of County grown and processed products.\*

Footnote: \*Mitigating Policy Page AR-2

#### *Agricultural Resources Element*

**Policy AR-1b:** The Economic Development Board shall promote agriculture as a major County industry.

**Policy AR-1c:** Consider the promotion of County agricultural products as a high priority in the disbursement of available funds, including the advertising budget.

**Policy AR-1d:** The marketing and promotion of agricultural products is highly dependent upon the public's continued confidence and perception that Sonoma County's agricultural products are raised in an environment which is not exposed to significant levels of hazardous materials. Accordingly, facilities which generate or handle significant amounts of hazardous material shall not be permitted on agricultural lands, nor shall they be established in other land use categories if it is determined that such use would adversely affect the marketing or promotion of the County's agricultural products.

**Policy AR-1e:** Encourage and support farms and ranches, both large and small, that are seeking to implement programs that increase the sustainability of resources, conserve energy, and protect water and soil in order to bolster the local food economy, increase the viability of diverse family farms and improve the opportunities for farm workers.

**Policy AR-1f:** Recognizing the benefits that a flourishing organic sector industry can provide, encourage and support those agricultural businesses seeking to use organic practices.

**Policy AR-1g:** Support the activities of the Sonoma County Agricultural Commissioner’s Office and the Farm Advisors Office in promoting sustainable and organic agricultural production and encourage the exploration of possibilities for production of other diverse agricultural products.

## **2.4 Mitigate Conflicts Between Agricultural and Nonagricultural Uses in Designated Agricultural Production Areas**

Both on the urban fringe and in the midst of agricultural areas, parcelization has occurred which has resulted in residential use being the primary use of the land. Complaints about noise, odors, flies, spraying and similar “nuisances” attendant to agricultural practices have discouraged and sometimes prevented farmers from managing their operations in an efficient and economic manner. Not only do residents complain about aspects of farming operations, but residential areas often directly affect the operations. For example, residential sites can become a sanctuary for pests which could damage adjacent crops. Clear policy is needed for County decision makers to balance the needs of the farmer with the concerns of his or her many residential neighbors.

The Agricultural Resources Element establishes policies that support the needs and practices of agriculture as the highest priority in areas designated for agricultural use.

### **GOAL AR-4:**

#### **Objective AR-4.1:**

**Allow farmers to manage their operations in an efficient, economic manner with minimal conflict with nonagricultural uses.**

The primary use of any parcel within the three agricultural land use categories shall be agricultural production and related processing, support services, and visitor serving uses. Residential uses in these areas shall recognize that the primary use of the land may create traffic and agricultural nuisance situations, such as flies, noise, odors, and spraying of chemicals.

**The following policies, in addition to those in the Land Use Element, shall be used to achieve this objective:**

**Policy AR-4a:** The primary use of any parcel within the three agricultural land use categories shall be agricultural production and related processing, support services, and visitor serving uses. Residential uses in these areas shall recognize that the primary use of the land may create traffic and agricultural nuisance situations, such as flies, noise, odors, and spraying of chemicals.

**Policy AR-4b:** Apply agricultural zoning districts only to lands in agricultural land use categories to implement the policies and provisions of the Agricultural Resources Element.

**Policy AR-4c:** Protect agricultural operations by establishing a buffer between an agricultural land use and residential interface. Buffers shall generally be defined as a physical separation of 100 to 200’ and/or may be a topographic feature, a substantial tree stand, water course or similar feature. In some circumstances a landscaped berm may provide the buffer. The buffer shall occur on the parcel for which a permit is sought and shall favor protection of the maximum amount of farmable land.

**Policy AR-4d:** Apply the provisions of the Right to Farm Ordinance to all lands designated within agricultural land use categories.

**Policy AR-4e:** Recognize provisions of existing State nuisance law (Government Code Section 3482.5).

**Policy AR-4f:** Anticipated conflicts between a proposed new agricultural use and existing agricultural activities shall be mitigated by the newer use or application.

## **2.5 Regulate the Location and Intensity of Agriculture Related Support Uses in Agricultural Areas**

Given its broad diversity, Sonoma County agriculture requires a variety of support activities that are available in close proximity to production sites. The determination of which support uses belong on agricultural lands involves their connection to agriculture, potential for conflicts, the size, scale and adaptability of the use, and the amount of land lost to farming. Policies are needed to permit on agricultural lands those agriculture-related uses, which support agriculture without undermining production activities.

Policies for support activities should also balance the need for such uses with the continued preservation of the rural character and agricultural diversity of the County, and should support products grown in Sonoma County over those produced elsewhere. The substantial growth in the wine industry during the last decade has, for example, resulted in a trend towards larger processing facilities, facilities that may appear more industrial than rural in character. In addition, the apparent increase in the reliance of County processing facilities upon raw agricultural products imported from outside Sonoma County highlights the importance of demonstrating “connection” to local production in order to avoid County agricultural lands becoming de-facto “industrial lands.”

### **GOAL AR-5:**

#### **Objective AR-5.1:**

**Facilitate agricultural production by allowing agriculture- related support uses, such as processing, storage, bottling, canning and packaging, and agricultural support services, to be conveniently and accessibly located in agricultural production areas when related to the primary agricultural production in the area.**

Facilitate County agricultural production by allowing agricultural processing facilities and uses in all agricultural land use categories.

#### Agricultural Resources Element

Facilitate County agricultural production by permitting limited agricultural support uses that support local agricultural activities and are not detrimental to the long term agricultural use in the area.

Ensure that agriculture-related support uses allowed on agricultural lands are only allowed when demonstrated to be necessary for and proportional to agricultural production on site or in the local area.

**The following policies, in addition to those in the Land Use Element, shall be used to achieve these objectives:**

**Policy AR-5a:** Provide for facilities that process agricultural products in all three agricultural land use categories only where processing supports and is proportional to agricultural production on site or in the local area.

**Policy AR-5b:** Consider allowing the processing of non viticultural agricultural products where the processing is demonstrated to support projected or new agricultural production, provided that the processing use is proportional to the new production on site or in the local area.

**Policy AR-5c:** Permit storage, bottling, canning, and packaging facilities for agricultural products either grown or processed on site provided that these facilities are sized to accommodate, but not exceed, the needs of the growing or processing operation. Establish additional standards in the Development Code that differentiate between storage facilities directly necessary for processing, and facilities to be utilized for the storage of finished product such as case storage of bottled wine. Such standards should require an applicant to demonstrate the need for such on-site storage.

**Policy AR-5d:** Define “agricultural support services” as processing services, maintenance and repair of farm machinery and equipment, veterinary clinics, custom farming services, agricultural waste handling and disposal services, and other similar related services.

**Policy AR-5e:** Only permit agricultural support services that support local agricultural production consistent with the specific requirements of each of the three agricultural land use categories. Insure that such uses are subordinate to on-site agricultural production and do not adversely affect agricultural production in the area. Consider the following factors in determining whether or not an agricultural support service is subordinate to on-site agricultural production:

- (1) The portion of the site devoted to the service as opposed to production.
- (2) The extent of structure needed for the service as opposed to production.
- (3) The relative number of employees devoted to the support service use in comparison to that needed for agricultural production.
- (4) The history of agricultural production on the site.
- (5) The potential for the service facility to be converted to non agricultural uses due to its location and access.

**Policy AR-5f:** Use the following guidelines for approving zoning or permits for agricultural support services:

- (1) The use will not require the extension of sewer or water,
- (2) The use does not substantially detract from agricultural production on-site or in the area,
- (3) The use does not create a concentration of commercial uses in the immediate area, and
- (4) The use is compatible with and does not adversely impact surrounding residential neighborhoods.

**Policy AR-5g:** Local concentrations of any separate agricultural support uses, including processing, storage, bottling, canning and packaging, agricultural support services, and visitor- serving and recreational uses as provided in Policy AR-6f, even if related to surrounding agricultural activities, are detrimental to the primary use of the land for the production of food, fiber and plant materials and shall be avoided. In determining whether or not the approval of such uses would constitute a detrimental concentration of such uses, consider all the following factors:

- (1) Whether the above uses would result in joint road access conflicts, or in traffic levels that exceed the Circulation and Transit Element's objectives for level of service on a site specific and cumulative basis.
- (2) Whether the above uses would draw water from the same aquifer and be located within the zone of influence of area wells.
- (3) Whether the above uses would be detrimental to the rural character of the area.

In cases where the proposed processing use would process only products grown on site, such use would not be subject to this concentration policy.

## **2.6 Regulate the Location and Intensity of Visitor Serving Uses Within Agricultural Areas**

The benefits and potential adverse impacts of visitor serving uses vary by agricultural industry. Agricultural tourism is critical in supporting the economic success and continued diversity of the agricultural industry in Sonoma County. It is important to recognize that agricultural tourism directly promotes the sale of agricultural products. Activities such as special events attract customers, build a customer base, market products, and build customer loyalty. However, the economic benefits of agricultural tourism must be balanced against associated impacts such as increased traffic, particularly in areas such as in Sonoma Valley or along routes where multiple visitor serving uses may be hosting events at the same time. In addition, visitor serving uses must supplement agricultural production, not replace it.

Wine tasting is an important promotional component of the viticulture industry, yet the people who come to enjoy the wine country may create a conflict with necessary practices of land intensive farming. This "people versus practices" conflict suggests a limit to tourist activities in vineyard areas, most of which are sufficiently close to communities that have available sites for such visitor services as lodgings and restaurants.

In extensive agricultural areas, some conflicts between visitors and agricultural practices are less severe due to the greater amount of land available to separate the activities. In these areas, small scale lodgings and some outdoor recreational uses could promote the agricultural activity and provide a secondary income source for the farmer or rancher without hindering the primary use of the land.

The Agricultural Resources Element promotes the County's agricultural industry by establishing policies which allow specific, limited visitor serving uses in agricultural areas.

## **GOAL AR-6:**

### **Objective AR-6.1:**

**Allow new visitor serving uses and facilities in some agricultural areas but limit them in scale and location. These uses must be beneficial to the agricultural industry and farm operators and compatible with long term agricultural use of the land.**

Give the highest priority in all agricultural land use categories to agricultural production activities. Visitor serving uses shall promote agriculture and enhance marketing of Sonoma County agricultural products, but shall be secondary and incidental to agricultural production.

Permit visitor serving uses in all agricultural land use categories if they support and do not adversely affect the agricultural production activities of the area. Bed and breakfast inns of five or fewer rooms, and campgrounds of up to 30 sites, are permissible recreational uses only in the "Land Extensive Agriculture" and "Diverse Agriculture" categories, if they do not adversely affect the agricultural production activities of the area.

Develop a pilot event coordination program for the Sonoma Valley Planning Area that provides for monitoring and scheduling of special events on agricultural lands and for agriculture related events on other lands so as to minimize the adverse cumulative impacts of such uses, particularly in areas where agriculture related support uses and/or visitor serving uses are concentrated.

**The following policies, in addition to those of the Land Use Element, shall be used to achieve these objectives:**

**Policy AR-6a:** Permit visitor serving uses in agricultural categories that promote agricultural production in the County, such as tasting rooms, sales and promotion of products grown or processed in the County, educational activities and tours, incidental sales of items related to local area agricultural products, and promotional events that support and are secondary and incidental to local agricultural production. Limit recreational uses to the "Land Extensive Agriculture" and "Diverse Agriculture" categories, specifically to bed and breakfast inns and campgrounds of 30 or fewer sites.

**Policy AR-6b:** Except as allowed by Policy AR-6a, prohibit new restaurants and lodging. Recognize existing restaurants or lodging facilities and those which were approved prior to adoption of this plan, but limit their expansion or intensification.\*

**Policy AR-6c:** Nonagricultural land use categories shall not be applied to lands surrounded by agricultural land use categories for purposes of permitting visitor serving or recreational uses or facilities.

**Policy AR-6d:** Follow these guidelines for approval of visitor serving uses in agricultural areas:

- (1) The use promotes and markets only agricultural products grown or processed in the local area.
- (2) The use is compatible with and secondary and incidental to agricultural production activities in the area.
- (3) The use will not require the extension of sewer and water.
- (4) The use is compatible with existing uses in the area.
- (5) Hotels, motels, resorts, and similar lodging are not allowed.

- (6) Activities that promote and market agricultural products such as tasting rooms, sales and promotion of products grown or processed in the County, educational activities and tours, incidental sales of items related to local area agricultural products are allowed.
- (7) Special events on agricultural lands or agriculture related events on other lands in the Sonoma Valley Planning Area will be subject to a pilot event coordination program which includes tracking and monitoring of visitor serving activities and schedule management, as necessary, to reduce cumulative impacts.\*

**Policy AR-6e:** Recreational facilities for off-road vehicles of any size shall not be permitted within any agricultural land use category.\*

**Policy AR-6f:** Local concentrations of visitor serving and recreational uses, and agricultural support uses as defined in Goal AR-5, even if related to surrounding agricultural activities, are detrimental to the primary use of the land for the production of food, fiber and plant materials and may constitute grounds for denial of such uses. In determining whether or not the approval of such uses would constitute a detrimental concentration of such uses, consider all the following factors:

- (1) Whether the above uses would result in joint road access conflicts, or in traffic levels that exceed the Circulation and Transit Element’s objectives for level of service on a site specific and cumulative basis.
- (2) Whether the above uses would draw water from the same aquifer and be located within the zone of influence of area wells.
- (3) Whether the above uses would be detrimental to the rural character of the area.\*

**Policy AR-6g:** Define in the Development Code compatible visitor serving uses such as tasting rooms, sales and promotion of products grown or processed in the County, educational activities and tours, incidental sales of items related to local area agricultural products, and promotional events which support and are incidental to local agricultural production, and define their permissible sizes and intensities.\*

**Policy AR-6h:** Revise existing regulations to allow farm homestays in agricultural areas.

## **AGRICULTURAL ZONING REGULATIONS**

### **Land Intensive Agriculture District (winery activities per CUP)**

#### **Sec. 26-04-020. - Uses permitted with a use permit.**

(a)

Agricultural cultivation in the following areas, for which a management plan has not been approved pursuant to Section 26-04-010(d):

(1)

Within one hundred feet (100’) from the top of the bank in the Russian River Riparian Corridor,

(2)

Within fifty feet (50’) from the top of the bank in designated Flatland Riparian Corridors,

(3)

Within twenty-five feet (25’) from the top of the bank in designated Upland Riparian Corridors;

(b)

Livestock feed yards, animal sales yards;

(c)

Commercial mushroom farming;

(d)

Commercial stables not permitted under [Section 26-04-010\(i\)\(1\)](#), riding academies, and equestrian riding clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(e)

Agricultural support services with more than one (1) and a maximum of three (3) employees or occupying more than one half (1/2) acre of land, but otherwise subject to the same criteria as [Section 26-04-010\(e\)](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(f)

Preparation of agricultural products which are not grown on site, processing of agricultural product of a type grown or produced primarily on site or in the local area, storage of agricultural products grown or processed on site, and bottling or canning of agricultural products grown or processed on site, subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g;

(g)

Slaughterhouses, animal processing plants, rendering plants, fertilizer plants or yards which serve agricultural production in the local area and subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(h)

Retail nurseries involving crops/plants which are not grown on the site, except on land subject to a Williamson Act contract;

(i)

Tasting rooms and other temporary, seasonal or year-round sales and promotion of agricultural products grown or processed in the county subject to the minimum criteria of General Plan Policies AR-6d and AR-6f. This Subsection shall not be interpreted so as to require a use permit for uses allowed by [Section 26-04-010\(g\)](#);

(j)

Promotional or marketing accommodations for private guests, provided, that the use, at a minimum, meets all of the following criteria:

(1)

The use promotes or markets agricultural products grown or processed on the site,

(2)

The scale of the use is appropriate to the production and/or processing use on the site,

(3)

The use complies with General Plan Policies AR-6d and AR-6f,



(4)

No commercial use of private guest accommodations is allowed,

(5)

Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(k)

Dwelling unit(s) for full time agricultural employees which are transferred from another lot within this district and which are under the same ownership as the subject property. The number of units allowed shall be determined by the standards in Section 26-04-010(h)(3). The units shall be located on the receiving parcel such that they are closer to the primary dwelling unit than to the property line;

(l)

Temporary farm worker camps not permitted by Section 26-04-010(h);

(m)

Seasonal farmworker housing that does not meet the road access, occupancy or setback standards of Section 26-88-010(l);

(n)

Year-round and extended seasonal farmworker housing that does not meet the road access, occupancy limits, parcel size or setback standards of Section 26-88-010(o);

(o)

The following nonagricultural uses; provided, that the applicant must demonstrate that the use meets a local need, avoids conflict with agricultural activities and is consistent with Objective AR-4.1 and Policy AR-4a of the agricultural resources element:

(1)

Game preserves, refuges, and hunting clubs; however, any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(2)

Cemeteries, except on land subject to a Williamson Act contract,

(3)

Commercial kennels, except on land subject to a Williamson Act contract,

(4)

Minor public service uses or facilities (transmission and distribution lines and telecommunication facilities excepted), including, but not limited to reservoirs, storage tanks, pumping stations, and transformer stations. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(5)

Fire and police stations and training centers, service yards and parking lots which, at a minimum, meet the criteria of General Plan Policy PF-2 t and which are not otherwise exempt by state law. Such facilities are not permitted on land subject to a Williamson Act contract,

(6)

Intermediate and major freestanding commercial telecommunication facilities subject at a minimum to the applicable criteria set forth in Section 26-88-130. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(7)

Noncommercial telecommunication facilities greater than eighty feet (80') in height subject at a minimum to the applicable criteria set forth in Section 26-88-130

(8)

Exploration and development of low temperature geothermal resources for other than power development purposes provided that at a minimum it is compatible with surrounding land uses. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(9)

Application of clean dredge material or biosolids from wastewater treatment plants subject, at a minimum, to the criteria of General Plan Policies PF-2s,

(10)

Granges and similar community service facilities which do not adversely impact agriculture in the area. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(11)

Large residential community care facility, except on land subject to a Williamson Act contract,

(12)

Day care center, except on land subject to a Williamson Act contract,

(13)

Reserved.

(14)

Golf courses and driving ranges shall be at the sole discretion of the county and subject, at a minimum, to the following criteria:

(i)

The proposed use is adjacent to a designated urban service boundary or includes an irrevocable offer of offsite unutilized development rights for all lands between the use and the urban service boundary,

(ii)

Permanent open space or agricultural preservation is provided for the site of the proposed use and all areas for which development rights are acquired,

(iii)

The use is located in close proximity to an existing wastewater treatment facility and includes the use of reclaimed wastewater in accordance with the regulations of the applicable regional water quality control agency,

(iv)

The use is subject to design review approval and includes setbacks, buffers or other measures designed to minimize its impact on existing and potential agricultural uses in the area,

(v)

Under no circumstances shall housing be included as part of the use, provided that a caretaker unit may be considered,

(vi)

The use must be compatible with and not result in limitations on any agricultural operation,

(vii)

The use shall not be conducted on lands subject to a Williamson Act contract or included in a timber production zone,

(viii)

Facilities associated with the golf course and/or driving range shall be limited to those which serve golfers on the course or range, such as locker and shower facilities, pro shop with incidental sales of golfing equipment, snack bar and maintenance operations. Such facilities shall not include restaurants, other retail sales, lodging or similar uses,

(ix)

Driving ranges shall not be operated during nighttime hours;

In the event that the above uses are proposed within a designated Community Separator, the criteria established by General Plan Policy OSRC-1c shall supersede the above criteria;

(15)

Craft sales and garage sales involving three (3) or four (4) sales days per year,

(16)

Small wind energy systems located within a county-designated urban service area or within two thousand five hundred feet (2,500') of a county-designated urban service area, subject to the standards in [Section 26-88-135](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(p)

Live/work uses in conjunction with a legally established single family residential unit subject to the requirements of Section 26-88-122. Any live/work use on a parcel under Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

(q)

Other nonresidential uses which in the opinion of the planning director area of a similar and compatible nature to those uses described in this section.

(Ord. No. 5964, § III, 1-31-2012; Ord. No. 5569 § 7, 2005; Ord. No. 5435 § 2(c), 2003; Ord. No. 5429 § 3, 2003; Ord. No. 5361 § 2(i), 2002; Ord. No. 5342 § 4, 2002; Ord. No. 4973 § 3(b), 1996; Ord. No. 4781 § 2(B), 1994; Ord. No. 4643, 1993.)

### **Land Extensive Agriculture District (winery activities per CUP)**

#### **Sec. 26-06-020. - Uses permitted with a use permit.**

(a)

Agricultural cultivation in the following areas, for which a management plan has not been approved pursuant to Section 26-06-010(d):

(1)

Within one hundred feet (100') from the top of the bank in the Russian River Riparian Corridor,

(2)

Within fifty feet (50') from the top of the bank in designated flatland riparian corridors,

(3)

Within twenty-five feet (25') from the top of the bank in designated upland riparian corridors;

(b)

Livestock feed yards, animal sales yards;

(c)

Commercial mushroom farming;

(d)

Commercial stables not permitted under Section 26-06-010(i)(1), riding academies, and equestrian riding clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(e)

Commercial aquaculture, provided that, at a minimum, the use does not adversely affect biotic resources and does not take place on prime soils;

(f)

Agricultural support services with more than one (1) employee or occupying more than one-half acre of land, but otherwise subject to the same criteria as Section 26-06-010(e); Any such use on a parcel under a

Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(g)

Preparation of agricultural products which are not grown on site, processing of agricultural products of a type grown or produced primarily on site or in the local area, storage of agricultural products grown or processed on site, and bottling or canning of agricultural products grown or processed on site, subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g;

(h)

Slaughterhouses, animal processing plants, rendering plants, fertilizer plants or yards which serve agricultural production in the local area and subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(i)

Retail nurseries involving crops/plants which are not grown on the site, except on land subject to a Williamson Act contract;

(j)

Tasting rooms and other temporary, seasonal or year-round sales and promotion of agricultural products grown or processed in the county subject to the minimum criteria of General Plan Policies AR-6d and AR-6f. This Subsection shall not be interpreted so as to require a use permit for uses allowed by Section 26-06-010(g);

(k)

Promotional or marketing accommodations for private guests, provided that the use, at a minimum, meets all of the following criteria:

(1)

The use promotes or markets agricultural products grown or processed on the site,

(2)

The scale of the use is appropriate to the production and/or processing use on the site,

(3)

The use complies with General Plan Policies AR-6d and AR-6g,

(4)

No commercial use of private guest accommodations is allowed,

(5)

Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(l)

Dwelling unit(s) for full-time agricultural employees which are transferred from another lot within this district and which are under the same ownership as the subject property. The number of units allowed shall be

determined by the standards in Section 26-06-010(h)(3). The units shall be located on the receiving parcel such that they are closer to the primary dwelling unit than to the property line;

(m)

Temporary farm worker camps not permitted by Section 26-06-010(h);

(n)

Seasonal farmworker housing that does not meet the road access, occupancy, or setback standards of Section 26-88-010(l);

(o)

Year-round and extended seasonal farmworker housing that does not meet the road access, occupancy limits, parcel size, or setback standards of Section 26-88-010(o);

(p)

The following nonagricultural uses; provided, that the applicant must demonstrate that the use meets a local need, avoids conflict with agricultural activities and is consistent with Objective AR-4.1 and Policy AR-4a of the agricultural resources element:

(1)

Game preserves, refuges, and hunting clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(2)

Public schools; private nursery, primary and secondary schools; places of religious worship; and places of public or community assembly, all subject, at a minimum, to the criteria of General Plan Policy LU-6e, except in lands subject to a Williamson Act contract,

(3)

Campgrounds with a maximum of thirty (30) sites; provided, that the subject area is not under a Williamson Act contract, and subject, at a minimum, to the criteria of General Plan Policy AR-6f.

(4)

Cemeteries, except on land subject to a Williamson Act contract,

(5)

Commercial kennels. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(6)

Private landing strips. On land subject to a Williamson Act contract, such use shall be limited to that necessary for aircraft dedicated to aerial spraying and other agricultural purposes and not for private passenger aircraft for personal convenience and transportation,

(7)

Bed and breakfast inns, containing not more than five (5) guest rooms, subject to Article 82 (Design Review), Article 86 (Parking Regulation), and the criteria of General Plan Policy AR-6 f. No bed and

breakfast inn shall displace nor interfere with any existing agricultural use on the property. No bed and breakfast inn shall be located on land under Williamson Act contract. Food service shall be limited to breakfast served to inn guests only, and shall be subject to the approval of the Sonoma County department of health services. Weddings, lawn parties or similar activities may be allowed if specifically authorized by the use permit. No outdoor amplified sound shall be permitted at any time. No bed and breakfast inn shall include the use of more than one (1) single-family dwelling and one (1) accessory structure for transient occupancy. No more than two (2) of the five (5) guest rooms allowed by this section may be located in the accessory structure, if any. If an accessory structure is used for transient occupancy, the total floor area available for use by guests, including guest rooms and common areas, shall not exceed six hundred forty (640) square feet. There shall be no internal doorway or passage between the area available for use by guests and any remaining area of the accessory structure,

(8)

Minor public service uses or facilities (transmission and distribution lines and telecommunication facilities excepted), including, but not limited to reservoirs, storage tanks, pumping stations, and transformer stations. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(9)

Fire and police stations and training centers, service yards and parking lots which, at a minimum, meet the criteria of General Plan Policy PF-2(t) and which are not otherwise exempt by state law. Such facilities are not permitted on land subject to a Williamson Act contract;

(10)

Intermediate and major freestanding commercial telecommunication facilities subject at a minimum to the applicable criteria set forth in [Section 26-88-130](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(11)

Noncommercial telecommunication facilities greater than eighty feet (80') in height subject at a minimum to the applicable criteria set forth in [Section 26-88-130](#)

(12)

Exploration and development of low temperature geothermal resources for other than power development purposes, provided that, at a minimum, it is compatible with surrounding land uses. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(13)

Application of clean dredge material or biosolids from wastewater treatment plants subject, at a minimum, to the criteria of General Plan Policies PF-2 s

(14)

Granges and similar community service facilities which do not adversely impact agriculture in the area. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(15)

Large residential community care facility, except on land subject to a Williamson Act contract,

(16)

Day care center, except on land subject to a Williamson Act contract,

(17)

Reserved,

(18)

Golf courses and driving ranges shall be at the sole discretion of the county and subject, at a minimum, to the following criteria:

(i)

The proposed use is adjacent to a designated urban service boundary or includes an irrevocable offer of offsite unutilized development rights for all lands between the use and the urban service boundary,

(ii)

Permanent open space or agricultural preservation is provided for the site of the proposed use and all areas for which development rights are acquired,

(iii)

The use is located in close proximity to an existing wastewater treatment facility and includes the use of reclaimed wastewater in accordance with the regulations of the applicable regional water quality control agency,

(iv)

The use is subject to design review approval and includes setbacks, buffers or other measures designed to minimize its impact on existing and potential agricultural uses in the area,

(v)

Under no circumstances shall housing be included as part of the use, provided that a caretaker unit may be considered,

(vi)

The use must be compatible with and not result in limitations on any agricultural operation,

(vii)

The use shall not be conducted on lands subject to a Williamson Act contract or included in a timber production zone,

(viii)

Facilities associated with the golf course and/or driving range shall be limited to those which serve golfers on the course or range, such as locker and shower facilities, pro shop with incidental sales of golfing equipment, snack bar and maintenance operations. Such facilities shall not include restaurants, other retail sales, lodging or similar uses,

(ix)

Driving ranges shall not be operated during nighttime hours.



In the event that the above uses are proposed within a designated community separator, the criteria established by General Plan Policy OSRC-1c shall supersede the above criteria.

(19)

Craft sales and garage sales involving three (3) or four (4) sales days per year,

(20)

Small wind energy systems located within a county-designated urban service area or within two thousand five hundred feet (2,500') of a county-designated Urban Service Area, subject to the standards in Section 26-88-135. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(21)

Commercial composting facilities incidental to the agricultural use, subject to Policy AR-4a of General Plan agricultural resources element. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

(q)

Vacation rentals subject to the standards in Section 26-88-120, except on lands under a Williamson Act contract;

(r)

Live/work uses in conjunction with a legally established single family residential unit subject to the requirements of Section 26-88-122. Any live/work use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(s)

Other nonresidential uses which in the opinion of the planning director are of a similar and compatible nature to those uses described in Section 26-06-020

(Ord. No. 5964, § IV, 1-31-2012; Ord. No. 5908, § II, 11-9-2010; Ord. No. 5569 § 7, 2005; Ord. No. 5435 § 2(c), 2003; Ord. No. 5429 § 3, 2003; Ord. No. 5361 § 2(j), 2002; Ord. No. 5342 § 5, 2002; Ord. No. 5265, § 1(c), 2001; Ord. 4973 § 3(b), 1996; Ord. No. 4781 § 2(B), 1994; Ord. No. 4643, 1993; Ord. No. 3662.)

### **Diverse Agriculture District (winery activities per CUP)**

#### **Sec. 26-08-020. - Uses permitted with a use permit.**

Uses permitted with a use permit include the following:

(a)

Agricultural cultivation in the following areas, for which a management plan has not been approved pursuant to Section 26-08-010(d):

(1)

Within one hundred feet (100') from the top of the bank in the Russian River Riparian Corridor,

(2)

Within fifty feet (50') from the top of the bank in designated flatland riparian corridors,

(3)

Within twenty-five feet (25') from the top of the bank in designated upland riparian corridors;

(b)

Livestock feed yards, animal sales yards;

(c)

Commercial mushroom farming;

(d)

Commercial stables not permitted under [Section 26-04-010\(i\)\(1\)](#), riding academies, equestrian riding clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(e)

Commercial aquaculture, provided that, at a minimum, the use does not adversely affect biotic resources and does not take place on prime soils;

(f)

Agricultural support services with more than one (1) employee or occupying more than one half acre of land, but otherwise subject to the same criteria as [Section 26-08-010\(e\)](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(g)

Preparation of agricultural products which are not grown on site, processing of agricultural products of a type grown or produced primarily on site or in the local area, storage of agricultural products grown or processed on site, and bottling or canning of agricultural products grown or processed on site, subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g;

(h)

Slaughterhouses, animal processing plants, rendering plants, fertilizer plants or yards which serve agricultural production in the local area and subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g;

(i)

Retail nurseries involving crops/plants which are not grown on the site, except on land subject to a Williamson Act contract;

(j)

Tasting rooms and other temporary, seasonal or year-round sales and promotion of agricultural products grown or processed in the county subject to the minimum criteria of General Plan Policies AR-6d and AR-6f. This subsection shall not be interpreted so as to require a use permit for uses allowed by [Section 26-08-010\(g\)](#);

(k)

Promotional or marketing accommodations for private guests, provided that the use, at a minimum, meets all of the following criteria:

(1)

The use promotes or markets agricultural products grown or processed on the site,

(2)

The scale of the use is appropriate to the production and/or processing use on the site,

(3)

The use complies with General Plan Policies AR-6d and AR-6 f,

(4)

No commercial use of private guest accommodations is allowed,

(5)

Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

(l)

Dwelling unit(s) for full time agricultural employees which are transferred from another lot within this district and which are under the same ownership as the subject property. The number of units allowed shall be determined by the standards in Section 26-08-010(h)(2). The units shall be located on the receiving parcel such that they are closer to the primary dwelling unit than to the property line;

(m)

Temporary farm worker camps not permitted by Section 26-08-010(h);

(n)

Seasonal farmworker housing that does not meet the road access, occupancy, or setback standards of Section 26-88-010(l);

(o)

Year-round and extended seasonal farmworker housing that does not meet the road access, occupancy limits, parcel size or setback standards of Section 26-88-010(o);

(p)

The following nonagricultural uses; provided, that the applicant must demonstrate that the use meets a local need, avoids conflict with agricultural activities and is consistent with Objective AR-4.1 and Policy AR-4a of the agricultural resources element:

(1)

Game preserves, refuges, and hunting clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(2)

Public schools; private nursery, primary and secondary schools; places of religious worship; and places of public or community assembly, all subject, at a minimum, to the criteria of General Plan Policy LU-6e, except on lands subject to a Williamson Act contract.

(3)

Campgrounds with a maximum of thirty (30) sites, provided that the subject area is not under a Williamson Act contract and subject, at a minimum, to the criteria of General Plan Policy AR-6e,

(4)

Cemeteries, except on land subject to a Williamson Act contract,

(5)

Commercial kennels. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(6)

Private landing strips. On land subject to a Williamson Act contract, such use shall be limited to that necessary for aircraft dedicated to aerial spraying and other agricultural purposes and not for private passenger aircraft for personal convenience and transportation,

(7)

Bed and breakfast inns, containing not more than five (5) guest rooms, subject to Article 82 (Design Review), Article 86 (Parking Regulation), and the criteria of General Plan Policy AR-6 f. No bed and breakfast inn shall displace nor interfere with any existing agricultural use on the property. No bed and breakfast inn shall be located on land under Williamson Act contract. Food service shall be limited to breakfast served to inn guests only, and shall be subject to the approval of the Sonoma County Department of Health Services. Weddings, lawn parties or similar activities may be allowed if specifically authorized by the use permit. No outdoor amplified sound shall be permitted at any time. No bed and breakfast inn shall include the use of more than one (1) single-family dwelling and one (1) accessory structure for transient occupancy. No more than two (2) of the five (5) guest rooms allowed by this section may be located in the accessory structure, if any. If an accessory structure is used for transient occupancy, the total floor area available for use by guests, including guest rooms and common areas, shall not exceed six hundred forty (640) square feet. There shall be no internal doorway or passage between the area available for use by guests and any remaining area of the accessory structure, (Ord. No. 5265 § 1(e), 2001: Ord. No. 3662.),

(8)

Minor public service uses or facilities (transmission and distribution lines and telecommunication facilities excepted), including, but not limited to reservoirs, storage tanks, pumping stations, and transformer stations. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(9)

Fire and police stations and training centers, service yards and parking lots which, at a minimum, meet the criteria of General Plan Policy PF-2 t and which are not otherwise exempt by state law. Such facilities are not permitted on land subject to a Williamson Act contract,

(10)

Intermediate and major freestanding commercial telecommunication facilities subject at a minimum to the applicable criteria set forth in Section 26-88-130. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(11)

Noncommercial telecommunication facilities greater than eighty feet (80') in height subject at a minimum to the applicable criteria set forth in Section 26-88-130

(12)

Exploration and development of low temperature geothermal resources for other than power development purposes provided that at a minimum it is compatible with surrounding land uses. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(13)

Application of clean dredge material or biosolids from wastewater treatment plants subject, at a minimum, to the criteria of General Plan Policies PF-2 s.

(14)

Granges and similar community service facilities which do not adversely impact agriculture in the area. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

(15)

Large residential community care facility, except on land subject to a Williamson Act contract,

(16)

Day care center, except on land subject to a Williamson Act contract,

(17)

Reserved,

(18)

Commercial wood yards, including wood splitting, except such uses are not allowed on land subject to a Williamson Act contract,

(19)

Golf courses and driving ranges shall be at the sole discretion of the county and subject, at a minimum, to the following criteria:

(i)

The proposed use is adjacent to a designated urban service boundary or includes an irrevocable offer of offsite unutilized development rights for all lands between the use and the urban service boundary,

(ii)

Permanent open space or agricultural preservation is provided for the site of the proposed use and all areas for which development rights are acquired,

(iii)

The use is located in close proximity to an existing wastewater treatment facility and includes the use of reclaimed wastewater in accordance with the regulations of the applicable regional water quality control agency,

(iv)

The use is subject to design review approval and includes setbacks, buffers or other measures designed to minimize its impact on existing and potential agricultural uses in the area,

(v)

Under no circumstances shall housing be included as part of the use, provided that a caretaker unit may be considered,

(vi)

The use must be compatible with and not result in limitations on any agricultural operation,

(vii)

The use shall not be conducted on lands subject to a Williamson Act contract or included in a timber production zone,

(viii)

Facilities associated with the golf course and/or driving range shall be limited to those which serve golfers on the course or range, such as locker and shower facilities, pro shop with incidental sales of golfing equipment, snack bar and maintenance operations. Such facilities shall not include restaurants, other retail sales, lodging, or similar uses,

(ix)

Driving ranges shall not be operated during nighttime hours.

In the event that the above uses are proposed within a designated community separator, the criteria established by General Plan Policy OSRC-1c shall supersede the above criteria.

(20)

Craft sales and garage sales involving three (3) or four (4) sales days per year,

(21)

Small wind energy systems located within a county-designated urban service area or within two thousand five hundred feet (2,500') of a county-designated urban service area, subject to the standards in [Section 26-88-135](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

(22)

Commercial composting facilities incidental to the agricultural use, subject to Policy AR-4a of General Plan agricultural resources element. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(q)

Vacation rentals exceeding the standards in [Section 26-88-120](#), except on lands under a Williamson Act contract;

(r)

Live/work uses in conjunction with a legally established single family residential unit subject to the requirements of [Section 26-88-122](#). Any live/work use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(s)

Other nonresidential uses which in the opinion of the planning director are of a similar and compatible nature to those uses described in this section.

(Ord. No. 5964, § V, 1-31-2012; Ord. No. 5908, § II, 11-9-2010; Ord. No. 5569, § 7, 2005; Ord. No. 5435, § 2(g), 2004; Ord. No. 5429, § 3, 2003; Ord. No. 5361, § 2(k), 2002; Ord. No. 5342, § 5, 2002; Ord. No. 5265, § 1(e), 2001; Ord. No. 4973, § 3(b), 1996; Ord. No. 4781, § 2(B), 1994; Ord. No. 4643, 1993; Ord. No. 3662.)

### **Agriculture and Residential District (winery activities per CUP)**

#### **Sec. 26-16-0. - Uses permitted with a use permit.**

##### ***Uses permitted with a use permit include the following:***

(a)

The raising, feeding, maintaining and breeding of poultry, fowl, rabbits, fur-bearing animals or animals such as veal calves, pigs, hogs and the like, which are continuously confined in and around barns, corrals and similar areas for other than domestic purposes. Incidental processing of such animals which are raised on site. This subsection shall not be interpreted so as to require a use permit for animals allowed by Sections 26-16-010(f) or (g);

(b)

Agricultural cultivation in the following areas, for which a management plan has not been approved by the planning director pursuant to Section 26-16-010(h):

(1)

Within one hundred feet (100') of the top of the bank in the Russian River Riparian Corridor,

(2)

Within fifty feet (50') of the top of the bank in designated flatland riparian corridors,

(3)

Within twenty-five feet (25') of the top of the bank in designated upland riparian corridors;

(c)

Retail nurseries involving crops/plants which are not grown on the site, except that such facilities are not allowed on land subject to a Williamson Act contract;

(d)

Indoor growing and harvesting of shrubs, plants, flowers, trees, vines, fruits, vegetables, hay, grain and similar food and fiber crops in greenhouses or similar structures of eight hundred (800) square feet or more;

(e)

Commercial kennels, veterinary clinics for farm animals but not for companion and exotic animals. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations; (Ord. No. 3403)

- (f) Commercial stables not permitted under Section 26-16-010(n), riding academies, equestrian riding and driving clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (g) Game preserves, refuges and hunting clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (h) Commercial mushroom farming;
- (i) Noncommercial clubs and lodges, golf courses and driving ranges, but not including miniature golf courses, except that such facilities are not allowed on land subject to a Williamson Act contract;
- (j) Live/work uses in conjunction with a legally established single family residential unit subject to the requirements of Section 26-88-122. Any live/work use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (k) Public schools; private nursery, primary and secondary schools; places of religious worship; and places of public or community assembly, all subject, at a minimum, to the criteria of General Plan Policy LU-6e except that such uses are not permitted on land subject to a Williamson Act contract;
- (l) Cemeteries, mausoleums, columbariums and crematoriums, except on land subject to a Williamson Act contract;
- (m) Minor public service uses or facilities (transmission and distribution lines and telecommunication facilities excepted), including, but not limited to reservoirs, storage tanks, pumping stations, and transformer stations. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (n) Fire and police stations and training centers, service yards and parking lots which, at a minimum, meet the criteria of General Plan Policy PF-2 t and which are not otherwise exempt by state law. Such facilities are not permitted on land subject to a Williamson Act contract;
- (o) Large residential community care facility, except on land subject to a Williamson Act contract;
- (p) Exploration and development of low temperature geothermal resources for other than power development purposes provided that at a minimum it is compatible with surrounding land uses. Any such use on a parcel



under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(q)

Bed and breakfast inns, containing not more than five (5) guest rooms, subject to [Article 82](#) (Design Review) and [Article 86](#) (Parking Regulations). No bed and breakfast inn shall displace nor interfere with any existing agricultural use on the property. No bed and breakfast inn shall be located on land under Williamson Act contract. Food service shall be limited to breakfast served to inn guests only, and shall be subject to the approval of the Sonoma County department of health services. Weddings, lawn parties or similar activities may be allowed if specifically authorized by the use permit. No outdoor amplified sound shall be permitted at any time. No bed and breakfast inn shall include the use of more than one (1) single-family dwelling and one (1) accessory structure for transient occupancy. No more than two (2) of the five (5) guest rooms allowed by this section may be located in the accessory structure, if any. If an accessory structure is used for transient occupancy, the total floor area available for use by guests, including guestrooms and common areas, shall not exceed six hundred forty (640) square feet. There shall be no internal doorway or passage between the area available for use by guests and any remaining area of the accessory structure;

(r)

Day care center, except on land subject to a Williamson Act contract;

(s)

Craft sales and garage sales involving three (3) or four (4) sales days per year;

(t)

Intermediate and major freestanding commercial telecommunication facilities subject at a minimum to the applicable criteria set forth in [Section 26-88-130](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(u)

Noncommercial telecommunication facilities greater than eighty feet (80') in height subject at a minimum to the applicable criteria set forth in [Section 26-88-130](#)

(v)

Small wind energy systems located within a county-designated urban service area or within two thousand five hundred feet (2,500') of a county-designated urban service area, subject to the standards in [Section 26-88-135](#). Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;

(w)

Processing of agricultural products grown or produced on site, and bottling, canning, or storage of agricultural products grown and processed on site, consistent with the criteria of General Plan Policies AR-5c and AR-5g, and subject to the following conditions:

(1)

The combined square footage of all buildings in which the processing or storage occurs shall not exceed 2,500 square feet on parcels of five acres or less in size, and shall not exceed 5,000 square feet on parcels greater than five acres in size;

(2)

Importation of agricultural products from offsite sources within the county shall not exceed an amount equal to 30 percent of the average onsite agricultural production. This limitation shall not apply during periods of catastrophic crop or animal loss caused by extreme weather, pestilence, or similar conditions.

(x)

Other nonresidential uses which in the opinion of the planning director are of a similar and compatible nature to those uses described in this section.

(Ord. No. 5964, § VII, 1-31-2012; Ord. No. 5908, § II, 11-9-2010; Ord. No. 5883, § III, 3-30-2010; Ord. No. 5569, § 7, 2005; Ord. No. 5435, § 2(o), 2003; Ord. No. 5429, § 3, 2003; Ord. No. 5361, § 2(o), 2002; Ord. No. 5342, § 5, 2002; Ord. No. 5265, 1(i), 2001; Ord. No. 4973, § 5(b), (c), 1996; Ord. No. 4781, § 2(B), 1994; Ord. No. 4643, 1993; Ord. No. 3376; Ord. No. 3662; Ord. No. 3403)



## APPENDIX B

### Sonoma County PMRD Internal Memo Regarding Winery Events

#### COUNTY OF SONOMA *PERMIT AND RESOURCE MANAGEMENT*

**Date:** November 29, 2012  
**To:** Planning Agency  
**From:** Ken Ellison  
**Subject:** Promotional Events

#### **DEPARTMENT**

2550 Ventura Avenue, Santa Rosa, CA 95403

(707) 565-1900 FAX (707) 565-1103

#### **MEMO**

The following discussion outlines the primary issues related to use permit promotional events that the Planning Agency has asked to discuss. Based upon any discussion that takes place, the Agency may direct staff to develop further analysis and/or bring back policy options for future code interpretations and/or amendments.

#### **Definitions**

Although the purpose of this memo is to discuss agricultural promotional events, there are a number of different types of code related 'events' in the County, which has sometimes caused confusion. The definition of the primary ones currently in use is listed below for clarification purposes. In some cases, a single event may need more than one type of event permit if the activity occurs both on private property and the County road right-of-way. Note that General Plan Policy AR-6g indicates that the definition for promotional events must ultimately be formalized in the code along with permissible sizes and intensities:

*Cultural Events* are defined in the zoning code and by policy, occur on private property not subject to a use permit (instead a zoning permit must be obtained), and are limited to 'occasional' occurrences (which has been interpreted to be four times per year). The Cultural event definition excludes events that occur entirely within a building permitted for such use.

*Special Events* is the term used in County policies to describe events occurring in the public right-of-way that require an encroachment permit, such as parades, block parties, and various types of foot and bicycle races. Winery events are sometimes referred to as "Special Events," but for the purposes of this memo, such events will be called "Promotional Events."

*Promotional Events* are typically events that occur at wineries or other visitor serving uses (lodges, bed and breakfast Inns, etc.), and are subject to use permit approval. They are identified in the zoning code and General Plan in a variety of ways. In the agricultural zones "...temporary, seasonal or year-round sales and promotion of agricultural products grown or processed in the county subject to the minimum criteria of General Plan Policies AR-6d and AR-6f" is allowed subject to obtaining a use permit. In the Resources and Rural Development district "other recreational or visitor serving uses which do not interfere or detract from the purposes of this district; except such

uses are not permitted on land subject to a Williamson Act contract” is allowed subject to a use permit. Finally, in the agricultural and commercial zoning districts the following language can be found as allowed subject to a obtaining a use permit in conjunction with a Bed and Breakfast Inn *“Weddings, lawn parties or similar activities to be held at a bed and breakfast inn. Outdoor amplified sound may be allowed at these events only if specifically authorized by the use permit”*.

The General Plan Agricultural Resources Element contains a number of lengthy policies relating to the definition and limitations on agriculturally related promotional events, including policies AR-6a through AR-6g. The key definition language for agricultural promotion events is found in AR-6a, which reads

*“Permit visitor serving uses in agricultural categories that promote agricultural production in the County, such as tasting rooms, sales and promotion of products grown or processed in the County, educational activities and tours, incidental sales of items related to local area agricultural products, and promotional events that support and are secondary and incidental to local agricultural production...”*

*Industry Wide Events* are not specifically defined in the zoning ordinance or County policy, however they are generally identified as promotional/marketing activities occurring one to six times a year that are organized by a recognized industry group and involve multiple wineries within a specific geographical area. Only wineries with use permits allowing public tasting are typically permitted to take part in an Industry Wide Event during tasting room hours.

### **Current Rules**

As noted in the Definitions section above, all promotional events require a use permit. Beyond that, the zoning code does not offer much guidance. However, General Plan policies AR-6b, AR-6d, AR-6f and AR-5g do provide some general guidance.

### **Policy AR-6b:**

*Except as allowed by Policy AR-6a, prohibit new restaurants and lodging. Recognize existing restaurants or lodging facilities and those which were approved prior to adoption of this plan, but limit their expansion or intensification.*

\*

**Policy AR-6d:** *Follow these guidelines for approval of visitor serving uses in agricultural areas:*

- (1) The use promotes and markets only agricultural products grown or processed in the local area.*
- (2) The use is compatible with and secondary and incidental to agricultural production activities in the area.*
- (3) The use will not require the extension of sewer and water.*
- (4) The use is compatible with existing uses in the area.*
- (5) Hotels, motels, resorts, and similar lodging are not allowed.*
- (6) Activities that promote and market agricultural products such as tasting rooms, sales and promotion of products grown or processed in the County, educational activities and tours, incidental sales of items related to local area agricultural products are allowed.*
- (7) Special events on agricultural lands or agriculture related events on other lands in the Sonoma Valley Planning Area will be subject to a pilot event coordination program which includes tracking and monitoring of visitor serving activities and schedule management, as necessary, to reduce cumulative impacts.\**

*Policy AR-6f: Local concentrations of visitor serving and recreational uses, and agricultural support uses as defined in Goal AR-5, even if related to surrounding agricultural activities, are detrimental to the primary use of the land for the production of food, fiber and plant materials and may constitute grounds for denial of such uses. In determining whether or not the approval of such uses would constitute a detrimental concentration of such uses, consider all the following factors:*

(1) Whether the above uses would result in joint road access conflicts, or in traffic levels that exceed the Circulation and Transit Element's objectives for level of service on a site specific and cumulative basis.

(2) Whether the above uses would draw water from the same aquifer and be located within the zone of influence of area wells.

(3) Whether the above uses would be detrimental to the rural character of the area.\*

*Policy AR-5g: Local concentrations of any separate agricultural support uses, including processing, storage, bottling, canning and packaging, agricultural support services, and visitor-serving and recreational uses as provided in Policy AR-6f, even if related to surrounding agricultural activities, are detrimental to the primary use of the land for the production of food, fiber and plant materials and shall be avoided. In determining whether or not the approval of such uses would constitute a detrimental concentration of such uses, consider all the following factors:*

(1) Whether the above uses would result in joint road access conflicts, or in traffic levels that exceed the Circulation and Transit Element's objectives for level of service on a site specific and cumulative basis.

(2) Whether the above uses would draw water from the same aquifer and be located within the zone of influence of area wells.

(3) Whether the above uses would be detrimental to the rural character of the area.

*In cases where the proposed processing use would process only products grown on site, such use would not be subject to this concentration policy.\**

### **Standards and Practices**

The interpretation of what is allowed as an agricultural promotional event, their frequency, and the size/intensity allowed has changed slowly over time as the events themselves and their related physical facilities have changed. Currently, there is no comprehensive group of policies in place that identify the latest decisions of the County regarding events that can be pointed to for potential applicants and the general public. However, there are trends that have been identified, many of which have been included in individual project staff reports and conditions of approval. These decisions/trends include:

#### 1. Greater limitations on promotional events not explicitly related to agriculture

Weddings and similar events have long been included in use permits as promotional events to acknowledge that bringing such guests to wineries helps to promote the agricultural product. However, increasing scrutiny has been given to requests for these types of events, especially those which involve a large number of weddings. In some cases the number of weddings allowed has been limited on a case by case basis.

#### 2. Greater limitations on the number and size of events at wineries

The average number of agricultural promotional events is 19 per winery (that has permitted events) County wide. In the Sonoma Valley, the average is 29 per winery. However, the number of events at any individual winery can vary widely depending on site specific issues. Detailed review of the requested number and size of events at wineries has increased significantly in the past few years. In the Sonoma Valley, a Special Events Coordinator pilot program is in development. The Sonoma Valley Visitor's Bureau has taken the lead to compile the data for events, including non-winery events, in a calendar system. Later this year the County intends to have a live website where people can do their own event coordination using this calendar. The website will allow people to figure out the concentration and type of events in their area and plan accordingly.

#### 3. Increasing use of two year review periods for small/medium events, and limited term permits for larger events

A two year condition compliance review for small/medium events allows the BZA to revise event related conditions upon review of the permit where there have been violations or non-compliance with the conditions of approval, or if the project rises to the level of a public nuisance (although the burden of proof is placed on the County).

A limited term permit has also been used for large events or in areas that may be over-concentrated. A limited term permit allows the BZA full authority to revise conditions based on compatibility concerns (the burden of proof is placed on the applicant to show compatibility with the neighborhood).

4. Clarification on the required amount of septic capacity vs porta-potty use for events PRMD has adopted specific policies regarding the size of septic systems vs the number of porta-potties needed for events. Recent clarification has been made to those policies that septic systems must be sized to accommodate 100% of the flow from all indoor only events. Essentially, the policies have increasingly stringent septic system requirements as the number of events increase. This has resulted in wineries sometimes requesting the maximum number of events just below a specific policy threshold (i.e. requesting four large events because the first four events can rely 100% on porta-potties, and/or requesting 25 events because from 5 to 25 events up to 50% of the event sanitation needs can be met through porta-potty service).
5. Hours of Operation for Tasting Rooms and Industry Wide Events

The BZA and Board have previously directed staff to establish consistent tasting room hours no later than 5pm to avoid cocktail hour. Industry wide events are allowed to occur during tasting room hours of operation. Hours of operation have also been limited in some cases to avoid peak traffic hours.

Note that due to the wide variety of locations of wineries within Sonoma County, many event-related issues need to be analyzed and addressed on a site-specific basis. However, there are a number of key issues that are County-wide which are noted below.

### **Key Issues**

#### *Number of People to Trigger an 'Event'*

At the present time there is no code or policy that identifies how many people can gather before it becomes a 'large gathering' (i.e. an 'event'). For the purposes of Cultural Event Permits on residential property, the BZA has previously adopted an interpretation that 35 or more people creates a 'large gathering' as defined in the code, which the Board of Supervisors further refined in the specific context of vacation rentals on residential property to 25 or more people. The increasing number of small wine pairing dinners, wine club dinners, marketing dinners, cooking demonstrations, and similar related uses now occurring or requested to occur at wineries (in addition to the standard tasting room clientele) makes having a consistent interpretation imperative.

#### *Limited Term vs Two-Year Reviews*

As noted above, increasing use of limited term and two-year review permits for events has been occurring. The BZA has recently added a two-year review to all use permits for event activities. In some cases a limited term use permit was approved in areas that have had compatibility or overconcentration concerns or for very large events (like concerts). Concern has been raised by the owners of small wineries regarding the substantial investments in their properties necessary to accommodate events, and that they rely on the event activities for marketing and sales. Without a vested right to conduct the events, a limited term permit could constrain investment and detract business. It also subjects the operator to greater risks associated with unforeseen circumstances, changes in policies or codes or factors outside their control.

#### *Time/Duration of Events (Multi-Day)*

Agricultural promotion events have no standard hours, although General Plan Noise Element requirements become significantly more stringent at 10pm, which effectively limits the night-time hours of events. However, allowing events to run all the way up to 10pm can result in parking lot and clean-up/breakdown noise occurring after 10pm. In some cases events have been limited to a 9:30pm cutoff, or within one-half hour after sunset.

Multi-day events have also become more common in recent years. The BZA has recently interpreted a single industry wide event to be no more than three consecutive days, which has been clarified in recent use permit conditions.

### *Type of Event*

As noted above, the County does not have a clear definition of what constitutes an agricultural promotional event and the term has been interpreted broadly in the past. This has raised issues related to events that are not directly related to the agricultural activity (such as concerts or weddings at wineries), and how to address events benefiting charities. Weddings in particular have become an issue in recent years, with their ability to attract bookings in the right setting sometimes being perceived by neighbors as overshadowing agricultural operations on site. The BZA has interpreted weddings as promoting agriculture when no banquet facilities are included (i.e. outdoor weddings only). Many wineries believe that weddings build brand awareness and loyal customers. More recently the BZA has placed additional limits on the number of weddings allowed and on renting out facilities to third parties for such events.

### *Overconcentration and Cumulative Impacts*

As noted above, there are three General Plan Policies regarding overconcentration issues (AR-5g, AR-6f and AR-6g), although none of them set actual standards as to when exactly the line is crossed for too many events in an area. This issue is complicated by the wide variety of winery locations, sizes, number/size/type of events, and differences in potential access roads/existing traffic levels between them. The coming Sonoma Valley Special Events Coordinator pilot program that is presently in development may provide good data to further evaluate this issue. In the meantime, staff reports for wineries are noting other nearby wineries with events to give the BZA a picture of the local cumulative impact from events that may be occurring.

### *Indoor vs Outdoor Events*

Given indoor events have much less sound and visual impact than outdoor events, and are often smaller in nature due to the limited size of existing facilities, questions have been raised as to whether indoor events should be treated differently than outdoor events. Allowing additional indoor events could result in requests for larger winery structures and stand-alone event facilities that could be inappropriate for agricultural areas.

### *Clarification of Allowed Food Handling Facilities on Site*

Requests for commercial kitchens associated with wineries (including permanent kitchens, barbeques, food storage areas, and pantry facilities) have increased significantly in recent years. For a period of time many of these requests were denied or limited to catered services and pre-prepared food served from a catering layout kitchen, over concerns of 'use creep' into a restaurant type facility. However, the last few large wineries approved have allowed commercial kitchens in order to serve the increasing number of wine pairing dinners and similar events at wineries. Typically, the best way to control land use is to control physical structures on site. Allowing permanent commercial kitchens will tend to increase the trend towards more wine pairing and other food service uses at wineries.

### *Permanent Improvements for Events*

Beyond the food handling/commercial kitchen facilities discussed above, questions regarding the installation of permanent specialized event structures at wineries such as banquet halls, amphitheaters, dining patios, and lodging facilities continue to arise.

### *Outdoor Amplified Music*

Noise studies are required for all requests for amplified music to insure sound levels are below General Plan Noise Element requirements. However, issues continue to arise from neighbors disturbed by the presence of amplified music in an otherwise quiet rural setting, often for many weekends in a row during the summer months. In addition, there are no adopted standards for exactly how/when the music will be measured, and how/when will any corrections to sound levels be made. PRMD Code Enforcement addresses these issues on a complaint basis. In some cases, use permits have been conditioned to have continuous sound monitoring with on the spot reduction in sound levels occurring if General Plan noise standards are exceeded, but this can be difficult to verify. In most cases, monitoring has been required only after complaints are filed and determined to be valid, with a subsequent written report turned into PRMD for review of possible noise violations and/or additional mitigations.

### *Parking and Traffic Impacts/Control for Events*

At the present time there are no adopted standards for temporary event parking location, design, or temporary traffic controls where vehicles exit and enter the public roadway system. Generally, parking for events can easily be accommodated between vineyard rows or along vineyard and winery access roads. However, in some cases tasting rooms and events are proposed on small, substandard parcels or roads. In addition, where event parking is offsite, there are no standards for signage or shuttle vehicle frequency/size. This has caused traffic backups on public roadways during some events as drivers stack up looking for appropriate parking.

### *Road Access for Events*

Some events are proposed at wineries located in remote areas of the County along one lane or private roads. Concerns have been raised whether the County should allow/encourage public use and access where two-way traffic cannot readily be accommodated or where inadequate road conditions exist. The

County Fire Marshal does have some standards for public use and events that require a minimum 18 foot wide road with specific turning radii and vertical clearances.

### **List of Attachments**

Exhibit 'A' – Typical Winery Event Related Conditions

\*Mitigating Policy in General Plan

### **Exhibit 'A' Typical Winery Event Related Conditions**

#### TWO-YEAR REVIEW CONDITION FOR USE PERMITS

# Two-Year Review. A review of special event activities under this use permit shall be undertaken by the director two (2) years after commencement of special events to determine compliance with the conditions of approval applicable to special events. The director shall give notice of this use permit review to all owners of real property within three hundred feet (300') of the subject property plus any additional property owners who have previously requested notice. The director shall allow at least ten

(10) days for comment. If the director determines that there is credible evidence of non-compliance with the conditions of approval applicable to special events or that the special event activities constitute a public nuisance, the director shall refer the matter to the Board of Zoning Adjustments for possible revocation or modification of the use permit with regard to special events. Any such revocation or modification shall be preceded by a public hearing noticed and heard in compliance with the Zoning Code. This use permit review shall not include any other aspect of the original use permit approval, unless other conditions of approval have not been met, violations have occurred, or the use constitutes a public nuisance.

Condition Compliance Fee. Prior to commencement of special events, the applicant shall submit a condition compliance review fee deposit sufficient to cover the use permit review of special event activities.

Annual Report. After commencement of special events, the operator shall submit an annual report to PRMD by January 30th of each year describing the number of special events that occurred during the previous year, the date, time, and duration of each event, the number of persons attending the event, and the purpose of the event. The annual report shall also include the proposed special events for the following year.

#### LIMITED TERM PERMIT FOR USE PERMITS

# Limited Term Permit. This use permit for special events shall be for a two-year limited term allowing \_\_\_# of special events per year for a period of two years following the commencement of the first special event as follows:

If the applicant desires to continue special events beyond the two-year period authorized by this permit, the applicant shall seek a use permit renewal or modification in compliance with the Zoning Code.

All special events must promote winery and local agricultural production.



## FOOD HANDLING/COMMERCIAL KITCHEN CONDITION FOR USE PERMITS

# A restaurant or a cafe with cooked-to-order food is prohibited. Table service, retail sales of cooked or prepared food and/or menu items are prohibited in the tasting room. The following types of food service are allowed under this permit:

- a. Samples or tastes of pre-prepared food and appetizers featuring local foods and food products offered in conjunction with wine tasting, special events, wine club meals and winemaker dinners.
- b. Catered meals or appetizers featuring local foods and food products offered in conjunction with special events, wine club meals and winemaker dinners. Such meals/appetizers may be prepared in a caterer's preparation area prior to serving as described on the approved project floor plan. The caterer's preparation area can include counter space, a double sink, microwave oven(s), warming oven(s), refrigeration, a stove or range, and an exhaust hood.
- c. Retail sales of pre-prepared packaged food not associated with the activities described in a) and b) are allowed in conjunction with wine tasting subject to the following limitations:
  1. Retail sales of pre-prepared packaged food shall be permitted only during tasting room hours as approved by this Use Permit.
  2. Retail sales of pre-prepared packaged food shall be for on-site consumption only.
  3. No indoor seating area or table service is permitted in conjunction with retail sales of pre-prepared food. Outdoor seating areas are permitted for use as outdoor picnic areas.
  4. No off-site signs advertising retail sales of pre-prepared food is permitted. All project signage shall conform to the Zoning Code Sign Regulations."

## SPECIAL EVENTS COORDINATION USE PERMIT CONDITION

# The days and hours for special events shall be subject to review and approval by a Special Events Coordinator or similar program established by the County or at the County's direction. The applicant shall submit to the County an annual request and schedule for special events for each calendar year including the maximum number of participants, times and dates, and to report the actual events from the previous year. The applicant shall contribute, on an annual basis, a fair share towards the cost of establishing and maintaining the program. The program should consider the fairness for long established uses and establish reasonable costs for managing the program.

## PROMOTIONAL EVENT RELATIONSHIP TO AGRICULTURAL ACTIVITIES CONDITION

# All events, including winemaker dinners, wine/food pairings and corporate dinners must be related to the agricultural marketing aspect of the winery operation.

## ANNUAL REPORTING REQUIREMENT USE PERMIT CONDITION

# Annual Report. After commencement of event activities, the operator shall submit an annual report to the Director by January 15th describing the number of events that occurred during the previous year, the day, date, time, and duration of each event, the number of persons attending the event, the purpose of the event and any other information required by the director. The annual report shall also include the proposed events for the following year to the extent known at the time of the report.

## SEPTIC CAPACITY REQUIREMENT FOR PROMOTIONAL EVENTS CONDITION

# This project is approved for special events and shall provide septic system capacity in accordance with PRMD Policy 9 2 31 (available on PRMD's website under Policy and Procedures). The project septic system shall be

designed to accommodate 50% percent of the wastewater flow from an event with \_\_\_# guests, in addition to peak wastewater flows from all other sources plumbed to the septic system.

#### PORTABLE TOILET CAPACITY/MAINTENANCE EVENT CONDITION

# When permitted events exceed \_\_\_# guests, the permit holder shall provide portable toilets meeting the following minimum requirements:

An adequate number of portable toilets shall be provided, but in no case shall the number of portable toilets be less than one toilet per one hundred (100) event employees and visitors per day for day use.

Portable hand washing facilities shall be provided with all portable toilets used for serving visitors or the public. Employees serving food to visitors or the public must have access to permanently plumbed running hot and cold water sinks plumbed to a permitted on-site wastewater treatment system or public sewer.

Portable toilets shall be serviced as needed, but in no case less than once every seven days.

The applicant shall provide an accessible portable restroom on the job site where required by Federal, State or local law, including but not limited to, requirements imposed under OSHA, the Americans with Disabilities Act or Fair Employment and Housing Act.

Portable toilets shall not be brought on-site prior to 48 hours before the special event and shall be promptly serviced and removed within 48 hours after the special event.

If complaints are received by PRMD regarding the number of available portable toilets that PRMD deems a valid complaint, the applicant or current operator of the Use Permit shall increase the number of portable toilets and/or increase the frequency of maintenance of the portable toilets for the remainder of the special event and at future special events as directed by PRMD. The property owner and/or his agent(s) are expected to maintain portable toilets and hand washing units so that:

- i) The holding tank does not leak or overflow.
- ii) Toilet paper is promptly replaced when the dispenser runs out.
- iii) Water, paper towels and soap are promptly replaced when the hand washing units run out.
- iv) The wait to use a portable toilet shall not be so long that people use alternatives to sanitary restroom facilities.
- v) Reliance upon portable toilets shall not create a public nuisance.

# CASE STUDY: SANTA BARBARA COUNTY, CA

---

## 1.0 PROFILE OF THE WINE REGION

### 1.1 Geographic Setting

Santa Barbara County is located in the Coast Ranges, approximately 100 miles north of Los Angeles. The county covers about 2,735 square miles (1,750,400 acres), compared to 716 square miles (458,150 acres) for Yamhill County, Oregon.<sup>201</sup> The percentage of the county's area by land cover is shown in the following table.

Land Cover	Percentage
Farmland	7.1%
Grazing	33.2%
Urban/Built Up	3.6%
Water/Other	56.1%

Source: California Department of Conservation,  
Division of Land Resource Protection.

### Demographics

The population of Santa Barbara County as of 2010 was 427,267 with 68% living in cities and 32% living in unincorporated areas (California Department of Finance). Santa Barbara County has eight incorporated cities: Buelton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria and Solvang. Santa Maria is the most significant urban center with a population of 100,199 (24% of the county's total).

### Geology and Hydrology

Santa Barbara County's geology and hydrology are characterized by three major east/west trending valleys, the Santa Ynez Valley just over mountains of the same name from the city of Santa Barbara, the parallel Los Alamos Valley in the center of the county and the Santa Maria Valley near the San Luis Obispo County line to the north. The Santa Ynez Mountains have an average ridgeline height of approximately 3,000 feet, while some peaks exceed 4,000 feet in elevation.<sup>202</sup> The Santa Rita Hills, the Purisma Hills and the Soloman Hills, which separate valleys to the north are all much lower in elevation. The Santa Ynez River, San Antonio Creek and the Santa Maria River are the major watersheds in the county, all draining to the Pacific Ocean. The east/west trending valleys in Santa Barbara County are heavily influenced by a marine layer that originates in the Pacific Ocean to the west. Fog moves into the valleys in the early morning hours and is burned off by noon. Vandenberg Air Force Base occupies the extreme western portion of the county along the Pacific Ocean while Los Padres National Forest dominates the eastern and upland areas part of the county.<sup>203</sup>

The Santa Barbara County is characterized geologically by the western extension of the Transverse Ranges (terminating at Point Arguello), an east-west trend that includes the San Gabriel and San Bernardino Mountains on the north side of the LA Basin. The coastal portion of these mountains forms the longest east-west section of coastline between the Aleutian Islands and Cape Horn.<sup>204</sup> The Transverse Range is composed of sedimentary, volcanic and metamorphic rocks, sources of the volcanic, maritime and alluvial soils of the county. The area is seismically influenced by the Santa Ynez fault to the south and by the San Andreas Fault to the north.<sup>205</sup> Many of the wineries in the county are located in the foothills of the Transverse Ranges around the county's three principal valleys.

---

201 US Census Bureau Quick Facts, <http://quickfacts.census.gov/qfd/states/41/41071.html>

202 See California, <http://www.seecalifornia.com/mountains/santa-ynez-mountains.html>

203 Santa Barbara County Agricultural Commissioner, <https://www.countyofsb.org/visiting.aspx?id=1958>

204 Santa Barbara County Vintners Association, <http://www.sbcountywines.com/SBC.html>

205 Santa Barbara County Flood Control and Water Conservation District,

<http://www.countyofsb.org/uploadedFiles/pwd/Water/Environmental/GoletaSloughFSEIR-Section5-3.pdf>

## Climate

In general, Coastal California experiences a Mediterranean climate with hot, dry summers and cool, wet winters. Characterized by three main valleys opening to the Pacific Ocean, Santa Barbara County has a cool to moderate climate depending on proximity to the ocean.<sup>206</sup> Much of Santa Barbara County experiences fog through the morning until noon when westerly winds start to blow from the Pacific Ocean to the highlands in the east. The warmest part of the county is in the extreme east, near the Mojave Desert.

### 1.2 History of the Wine Industry

The Santa Barbara County, and the county seat, the City of Santa Barbara, formed in 1850; a subsequent division separated what is now Ventura County in 1873. The City of Santa Maria incorporated in 1875.

Agriculture in Santa Barbara County has traditionally centered around ranching, with 92% of current acreage dedicated to grazing and dry farming.<sup>207</sup> The farm base has diversified to row crop production similar in nature to San Luis Obispo and Monterey Counties to the north, with strawberries by far the most valuable crop at approximately \$367 million in 2010 and broccoli second, valued at roughly \$127 million (wine grapes are the third highest value crop).

The first wine grapes were planted shortly after the establishment of Mission Santa Barbara in 1786. By the latter part of the 19th century, wine grapes from Santa Cruz Island, off the coast of Santa Barbara, were grown, produced and shipped to the San Francisco market. Following the repeal of prohibition, the commercial wine industry revived in 1962 with the establishment of Lafond Winery and Santa Barbara Winery. The first vineyards in the county followed three years later.<sup>208</sup> Firestone Vineyard became the first estate winery in the county in 1972.<sup>209</sup>

The past few decades have seen explosive growth of the wine industry in Santa Barbara County. An economic impact study conducted by Motto, Kryla & Fisher LLP indicated the county's wine industry more than doubled in size in four years leading up to 2000. That year 60 wineries and 18,000 acres of vineyard pumped \$360 million into the local economy.<sup>210</sup> Last year wine grapes were planted on 20,540 acres in the county with a crop value of \$77 million.<sup>211</sup>

Tourism is an important part of the Santa Barbara County's economy, although the wine country is only part of its allure. The county, which sells itself as "the American Riviera", experiences good weather year round boasting beach, spa and retreat, and winery tourist amenities. The area's proximity to Hollywood adds to its cache as a setting for films like "Sideways", which extolled the virtues of Pinot Noir. The city of Solvang, a replica Danish village, is in the heart of Santa Barbara's wine country and is characteristic of the many tourism activities available in the county. Over 11 million people come to Santa Barbara County each year.<sup>212</sup> In addition to visiting wineries and vineyards, other tourist activities offered in the county include:

- Festivals and Events
- Arts, Film, Culture, Music, and Nightlife (art exhibitions at UCSB, museums, galleries, and studios; historic architecture; bars, restaurants)
- Spas & Wellness
- Sightseeing & Tours
- Weddings and Anniversaries

The combined sectors of wine grape production and tourism/hospitality dominate the local economy, with the wine industry accounting for \$360 million in revenue in 2009 and related tourism, which generates a portion of

206 Santa Barbara County Vintners Association, <http://www.sbcountywines.com/SBC.html>

207 Santa Barbara County General Plan Agricultural Element, <http://longrange.sbcountyplanning.org/programs/genplanreformat/PDFdocs/Agricultural.pdf>

208 Santa Barbara Wine History, [http://www.sbwinery.com/about\\_us/wine-history-santa-barbara.html](http://www.sbwinery.com/about_us/wine-history-santa-barbara.html)

209 Santa Maria Visitors Bureau, [http://santamariavisitor.com/cm/press\\_room/fast\\_facts/wine\\_facts.html](http://santamariavisitor.com/cm/press_room/fast_facts/wine_facts.html)

210 Santa Barbara County Vintners Association, [http://www.sbwinery.com/about\\_us/wine-history-santa-barbara.html](http://www.sbwinery.com/about_us/wine-history-santa-barbara.html)

211 Santa Barbara County 2011 Crop Report, <http://www.countyofsb.org/uploadedFiles/agcomm/crops/CR2011Final.pdf>

212 Santa Barbara County Statistical Profile,

<http://www.countyofsb.org/ceo/budgetresearch/documents/budget0809/200%2008-09%20Section%20B%20County%20Statistical.pdf>

the \$1.4 billion in tourism revenue, generated nearly \$33 million in taxes.<sup>213</sup> The total economic impact of the wine and vineyard sector in Santa Barbara County is estimated to be over \$500 million.<sup>214</sup>

### 1.3 Wine Brands and Industry Collaboration

Santa Barbara County has six separate AVAs, representing distinct microclimates and soils, entirely or partly within the county. The Santa Maria Valley AVA was the first to be established in 1981, and Happy Canyon of Santa Barbara was the last to be established in 2009. The county is part of the Santa Barbara County and Central Coast AVAs.<sup>215</sup>

Pinot Noir and Chardonnay are the most widely planted wine grapes in Santa Barbara County, found primarily near the coast and in the Santa Maria Valley where maritime influences are strong. Rhone varietals, including Syrah, Grenache, Mourvedre, Marsanne, Roussanne and Viognier, are mostly planted in the eastern portion of the county.<sup>216</sup>

Santa Barbara County currently encourages agricultural production and protects it from urban encroachment and incompatible uses in the policies of the Agricultural Element of their General Plan and in a Right to Farm ordinance found in Chapter 3, Article V of the Santa Barbara County Code. Commercial farming is allowed on parcels of least 40 – 320 acres in size with prime agricultural soils or subject to a Williamson Act contract.<sup>217</sup> Wineries may operate on lands subject to Williamson Act contracts pursuant to the county's Uniform Rule provided that the winery facility meets lot coverage requirements, over 50% of the subject parcel (or a minimum of thirty acres) is planted to vineyards, and at least 50% of the wine grapes processed are sourced from the parcel supporting a winery.<sup>218</sup> Winery permits and site development plans are required for the processing of agricultural products in an agricultural zone.

Several tools are employed in Santa Barbara County to protect farmland from urban encroachment, a pervasive issue in coastal counties.<sup>219</sup> The county's right to farm ordinance is intended "to protect land zoned exclusively for agricultural use from conflicts with non-agricultural uses that may result in financial hardship to agricultural operators."<sup>220</sup> In addition to farmland protections offered in the county code, Santa Barbara County has an Agricultural Preserve Program designed to actively enroll local farmland in Williamson Act and related Farmland Security Zone contracts.<sup>221</sup>

Agricultural zoning in Santa Barbara County is divided into two designations: the Agricultural I (AG-1) zones have smaller minimum parcel sizes and are intended to be compatible with urban transition areas and are applied to coastal areas; the Agricultural II (AG-II) zones have minimum parcel sizes greater than forty acres in size and are applied to prime and non-prime farmlands in rural areas with intent of preserving those lands for long term agricultural use.<sup>222</sup>

An important element of the county's agricultural land use regulations is its Winery Ordinance, which is currently being updated. The intent of the ordinance is to promote the orderly development of wineries within the County and ensure their compatibility with surrounding land uses in order to protect the public health, safety, natural, and visual resources of the county.<sup>223</sup> Winery permits are separately administered in coastal and inland areas - coastal permits are governed largely by coastal zone siting requirements while inland permits are tiered by production level (20,000 cases, 50,000 cases, and >50,000 cases), winery footprint, tasting room size and number of events. Additional county standards for wineries require mitigation for traffic, parking, noise, visual screening, and disclosure

213 Santa Barbara County Statistical Profile,

<http://www.countyofsb.org/ceo/budgetresearch/documents/budget0809/200%2008-09%20Section%20B%20County%20Statistical.pdf>

214 Food & Wine Magazine, Santa Barbara County Wine Region Basics, <http://www.foodandwine.com/articles/santa-barbara-county-wine-region-basics>

215 Santa Barbara County Vintners Association, <http://www.sbcountywines.com/county/history.html>

216 California Agricultural Crop Report, 2011. [http://www.nass.usda.gov/Statistics\\_by\\_State/California/Publications/Grape\\_Crush/Prelim/index.asp](http://www.nass.usda.gov/Statistics_by_State/California/Publications/Grape_Crush/Prelim/index.asp)

217 Santa Barbara General Plan Agricultural Element, <http://longrange.sbcountyplanning.org/programs/genplanreformat/PDFdocs/Agricultural.pdf>

218 Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones,

<http://longrange.sbcountyplanning.org/programs/uniformrules/documents/BOS%209-25-07/BOS%20Adopted%20Uniform%20Rules%20Final%209-25-07.pdf>

219 Santa Barbara General Plan Agricultural Element, <http://longrange.sbcountyplanning.org/programs/genplanreformat/PDFdocs/Agricultural.pdf>

220 Santa Barbara County Code Chapter 3, Article V.

<http://library.municode.com/index.aspx?clientId=16322&stateId=5&stateName=California&customBanner=16322.jpg&imageclass=L&cl=16322.txt>

221 Santa Barbara County Agricultural Preserve Programs, <http://www.countyofsb.org/agcomm/agcomm.aspx?id=30828>

222 Santa Barbara County Planning and Development Department Summary of Zones, [http://sbcountyplanning.org/pdf/Summary\\_Of\\_Zones\\_In\\_Santa\\_Barbara\\_County.pdf](http://sbcountyplanning.org/pdf/Summary_Of_Zones_In_Santa_Barbara_County.pdf)

223 Santa Barbara County Winery Ordinance,

[http://longrange.sbcountyplanning.org/programs/winery\\_ord/Section%2035%2082%20280%20Wineries.pdf](http://longrange.sbcountyplanning.org/programs/winery_ord/Section%2035%2082%20280%20Wineries.pdf)

of tasting room operations and the scope and frequency of winery events. The Winery Ordinance also states that the purpose of wineries is to process local agricultural products, mandating that over a five year period an average of 50% of wine grapes processed at county wineries be sourced from Santa Barbara County or San Luis Obispo County.<sup>224</sup> The Winery Ordinance is currently being updated to better suit the nature of the Santa Barbara County wine industry. Amendments to the current Winery Ordinance will clarify provisions governing winery tasting rooms, the permitting of kitchen facilities at wineries, winery events, wine related sales, and reporting and monitoring of winery permits.<sup>225</sup>

As the local wine industry has expanded over the past two decades, farmers and ranchers have become concerned that winery tasting rooms and events were undermining the rural character of the county. A winery proposal approved by the county in 2011 precipitated calls for revisions to the Winery Ordinance to better regulate winery tasting room activities events.<sup>226</sup> Accordingly, rural representatives of the county Board of Supervisors initiated a study and proposed revisions to the Winery Ordinance in April 2011. Wine industry representatives, growers and hospitality providers are seeking to balance amenities offered at local wineries, like full food service and frequent events, while maintaining the agricultural character of the county.<sup>227</sup>

The Winery Ordinance update process kicked off on August 23, 2012 with information sharing and initial public comment at a meeting in Buellton, the heart of the Santa Barbara wine country. A newspaper article published the following day characterized the gathering as a “love fest for the wine industry” rather than chorus of neighbor opposition as was expected. Over 90% of the forty-three people who spoke at the meeting, (representing industry supporters, nonprofit directors and hospitality industry reps) advocated for maintaining the existing level of regulations or reductions thereof, with just three people testifying in favor of stricter regulations.<sup>228</sup> Subsequent meetings will continue into 2013 to discuss potential winery ordinance provisions affecting tasting rooms, special events, food service and neighbor conflicts.

Santa Barbara County regulates marketing and events at wineries based on the ability of a site to accommodate ancillary activities as long as they are in scale with wine making and subordinate to agriculture. Marketing and event activities that would take agricultural land out of production are discouraged. Each winery application is evaluated pursuant to CEQA to determine what impact a winery proposal may have on the environment.<sup>229</sup> Proposed winery activities are also evaluated through a graduated process with Tier I wineries with no tasting room permitted through a ministerial process, Tier II wineries permitted following public hearings before the zoning administrator, and Tier III wineries permitted following submittal of a Development Plan, extensive CEQA review and public hearings before the County Planning Commission. A tiered permitting process is used in Santa Barbara County because it offers the flexibility to limit regulatory oversight where the land use impacts of new wineries are minimal, as with small wineries (producing fewer than 20,000 cases per year) with no tasting rooms. Review of winery permit applications, no matter the size, still considers local standards for noise, traffic, winery events, lot coverage, effluent disposal and design aesthetic.<sup>230</sup> Permitted winery activities are enforced through neighbor and third party complaints.

The Santa Barbara County Vintners Association is the primary non-profit trade association in the region. Growing since its establishment in 1983, the association currently represents more than 100 Santa Barbara County wineries and over two dozen vineyards.<sup>231</sup> Working closely with other Santa Barbara County organizations like the Central Coast Wine Growers Association and the Santa Barbara Conference and Visitors Bureau and Film Commission, the association promotes Santa Barbara County as a premier wine producing and touring location.<sup>232</sup> Central Coast

---

224 Santa Barbara County Winery Ordinance,

[http://longrange.sbcountyplanning.org/programs/winery\\_ord/Section%2035%2082%20280%20Wineries.pdf](http://longrange.sbcountyplanning.org/programs/winery_ord/Section%2035%2082%20280%20Wineries.pdf)

225 Santa Barbara County Winery Ordinance Update, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/wineryordinance.php](http://longrange.sbcountyplanning.org/programs/winery_ord/wineryordinance.php)

226 Santa Ynez Valley News “County needs new ordinance for wineries”, 11/03/11

[http://syvnews.com/opinion/editorial/county-needs-new-ordinance-for-wineries/article\\_c1333808-0510-11e1-9ef7-001cc4c002e0.html](http://syvnews.com/opinion/editorial/county-needs-new-ordinance-for-wineries/article_c1333808-0510-11e1-9ef7-001cc4c002e0.html)

227 Santa Ynez Valley News “Vintners argue for ‘balance’ in winery rules”, 12/20/12

[http://syvnews.com/news/local/govt-and-politics/vintners-argue-for-balance-in-winery-rules/article\\_fab5ce54-4a5d-11e2-b8ab-0019bb2963f4.html](http://syvnews.com/news/local/govt-and-politics/vintners-argue-for-balance-in-winery-rules/article_fab5ce54-4a5d-11e2-b8ab-0019bb2963f4.html)

228 Santa Barbara Independent, What’s the Future of the Wine Industry? Published August 24, 2012,

<http://www.independent.com/news/2012/aug/24/whats-future-wine-country/>

229 Santa Ynez Valley News “Fix the winery ordinance, everyone’s a winner”, Published 8/23/12,

[http://syvnews.com/news/opinion/commentary/fix-winery-ordinance-everyone-s-a-winner/article\\_2e8e4aa4-ec07-11e1-828a-001a4bcf887a.html](http://syvnews.com/news/opinion/commentary/fix-winery-ordinance-everyone-s-a-winner/article_2e8e4aa4-ec07-11e1-828a-001a4bcf887a.html)

230 Santa Barbara County Winery Ordinance Update, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/wineryordinance.php](http://longrange.sbcountyplanning.org/programs/winery_ord/wineryordinance.php)

231 Santa Barbara County Vintners Association, <http://www.sbcountywines.com/association/membership.html>

232 Santa Barbara County Vintners Association, <http://www.sbcountywines.com/association/membership.html>

Wine Growers Association represents over 200 wineries, vineyards, and associate businesses in Santa Barbara County and San Luis Obispo County. Their goal is “to advance the success and resiliency of a strong wine and grape growing region under increasingly dynamic constraints and opportunities associated with regulatory, environmental, resource, infrastructure and market-driven conditions”.<sup>233</sup> In addition to local organizations, the Wine Institute represents more than 1,000 wineries and affiliated businesses throughout the state. Along with local festivals and events, Santa Barbara County hosts an annual Vintners’ Festival in April, and a Celebration of Harvest event in October with touring passports available for local wineries.<sup>234</sup>

#### 1.4 Characteristics of Wineries and Growers

For the purposes of characterizing the wineries in Santa Barbara County, this section is based on information found on the Santa Barbara County Vintners Association website, unless otherwise noted.

### Santa Barbara Wineries by Type

Type of Winery	Number	Percentage of Total	Notes
Open to the public	94	84%	These wineries have regular hours that they are open to visitors, and no advance appointment is required to visit. Hours vary by winery.
Open by appointment	21	19%	These wineries have a county conditional use permit that requires visitors to make an appointment.
Closed to the public	8	7%	These wineries have no visitation.
Tours by appointment	5	4%	These wineries offer tours but by appointment only.
Picnic areas	29	26%	These wineries offer picnic grounds for guests’ use.
Winery events	15	13%	These wineries have regular winery events of more than 80 people.

#### 1.5 Geographic Distribution of Wineries and Wine-related Activities

Vineyards and wineries in Santa Barbara County are clustered around rural arterial roads passing through its major AVAs; Foxen Canyon Road in the Santa Maria Valley, Hwy 246 and Santa Rosa Road in the Santa Rita Hills and Hwy 154 in the Santa Ynez Valley. Many Santa Rita Hills and Santa Ynez Valley wineries have tasting rooms in nearby Los Olivos and Lompoc, respectively. Similarly, some Santa Barbara County wineries operate tasting rooms in the city of Santa Barbara.

Traditionally, Santa Barbara County has had more vineyard operators than wineries. Large vineyards like Bien Nacito Ranch have contracted with local wineries for Pinot Noir, Syrah and Chardonnay since the early 1990s. Bien Nacito Ranch sells vineyard-designate fruit to eighteen wineries in Santa Barbara and adjacent counties.<sup>235</sup> Wineries today control more vineyards near their facilities, as the number of wineries in the county has more than doubled in the past decade.<sup>236</sup>

233 Central Coast Winegrowers Association, <http://www.ccwga.org/aboutus.php>

234 Santa Barbara Vintners Association, <http://www.sbcountywines.com/association.html>

235 Bien Nacito Vineyards, <http://biennacidovineyards.com/>

236 Santa Ynez Valley News, County working to resolve growing friction between vintners, locals, [http://syvnews.com/news/local/county-working-to-resolve-growing-friction-between-vintners-locals/article\\_0c35ac96-5560-11e2-84c1-001a4bcf887a.html](http://syvnews.com/news/local/county-working-to-resolve-growing-friction-between-vintners-locals/article_0c35ac96-5560-11e2-84c1-001a4bcf887a.html)

## 1.6 Commercial Activities Related to Wineries

The wine tourism industry in Santa Barbara County has experienced rapid growth since release of the film *Sideways*, creating land use conflicts in areas made popular by the film like the Santa Ynez Valley where wineries are operated near rural residential lands.<sup>237</sup> The county has taken a conservative approach to regulating commercial activities on agricultural lands. To date, wine is the only permitted value added agricultural product made in agricultural zones, although olive pressing has also been considered as part of proposed zoning ordinance updates.<sup>238</sup> Local officials have limited secondary production of agricultural products out of concern that industrial uses on agricultural lands will compromise the bucolic nature of rural areas.

The county's dedication to maintaining the rural character of the Santa Barbara County wine country is encapsulated in the treatment of winery permit applications on lands under Williamson Act contracts. The Uniform Rules for Agricultural Preserves and Farmland Security Zones (Uniform Rules) require over half of the wine produced on Williamson Act lands be from grapes grown on the winery premises.<sup>239</sup> Winery proposals on non Williamson Act lands in Santa Barbara County are evaluated under the county's Winery Ordinance, which mandates a ratio of estate vineyards of between ½ and 2 acres per thousand cases of wine produced.

Policies in the Comprehensive Plan promote activities that support agriculture, including wineries, provided they are not in conflict with surrounding land uses or limit nearby agricultural operations. While the intent is to limit secondary agricultural activities in size and intensity, there also is a desire to regulate wineries in a way that furthers the development of wine tourism and ensures agricultural production remains a primary land use in the county. Encouragement of wine tourism was one of the motivations for passing the county Winery Ordinance in 2004. The ordinance provides for the establishment of boutique wineries producing fewer than 20,000 cases of wine per year. Boutique wineries enhance the pedigree of a wine-growing region by offering wines of high quality with fewer visitors. Winery tourism is promoted by these small wineries while land use conflicts are minimized.<sup>240</sup>

## 2.0 LAND USE MANAGEMENT AND WINERY REGULATION

### 2.1 Land Use Management in California

#### General Plans and Zoning

City and county governments in California are the sole controllers of land use regulation and formulators of development policy (Hart, 2003). State law mandates that all cities and counties adopt "a comprehensive, long-term general plan for [its] physical development" (similar to Oregon's "Comprehensive Plan").<sup>241</sup> Zoning must comply with the general plan in all counties and general law cities (not charter cities).<sup>242</sup>

#### CEQA

Prior to any discretionary action by a governmental agency that would have a physical effect on the environment such as approval of a development permit or a rezoning, the agency must complete a review process in compliance with the California Environmental Quality Act (CEQA).<sup>243</sup> This state law is similar to the National Environmental Policy Act (NEPA), which requires environmental review of proposed projects undertaken or funded by federal agencies. The primary purpose of these laws is to disclose the potential impacts of a project and ensure that decision makers analyze and consider the environmental effects of their actions. CEQA has played a large role in land use management since its adoption in 1972.

237 Santa Ynez Valley News, County working to resolve growing friction between vintners, locals, [http://syvnews.com/news/local/county-working-to-resolve-growing-friction-between-vintners-locals/article\\_0c35ac96-5560-11e2-84c1-001a4bcf887a.html](http://syvnews.com/news/local/county-working-to-resolve-growing-friction-between-vintners-locals/article_0c35ac96-5560-11e2-84c1-001a4bcf887a.html)

238 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

239 Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones, <http://longrange.sbcountyplanning.org/programs/uniformrules/documents/BOS%209-25-07/BOS%20Adopted%20Uniform%20Rules%20Final%209-25-07.pdf>

240 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

241 California Government Code (Sections 65000 et seq.).

242 Governor's Office of Planning and Research, [http://ceres.ca.gov/planning/planning\\_guide/plan\\_index.html#anchor156525](http://ceres.ca.gov/planning/planning_guide/plan_index.html#anchor156525)

243 California Public Resources Code (Sections 21000 et seq.)



## **Williamson Act**

The California Land Conservation Act, known as the Williamson Act, allows counties to establish agricultural preserves with landowners who are engaged in commercial agricultural operations. In signing a contract, the landowner agrees to retain his or her land in agricultural or open space uses for at least ten years, and the contract will run with the land when it is sold. Lands under Williamson Act contracts are appraised by the County Assessor based on their agricultural productivity rather than on their market value, (with Farmland Security Zone contracts receiving a further 35% discount), which can greatly reduce tax obligations for the landowner. The contract is for a minimum of ten years and automatically renews annually until either the County or the landowner submits a non-renewal request.

Conservation of agricultural and open space land benefits the general public by discouraging premature conversion of land to urban land uses, thereby curtailing sprawl and promoting logical urban growth and provision of urban services. The Williamson Act program both protects agriculture and retains open space for its scenic qualities and value as wildlife habitat. Most directly, it contributes to the state's agricultural economy and the availability of fresh, nutritious, varied and affordable food. To ensure the long-term retention of these benefits, land enrolled in the program is prevented from being readily converted to urban or other non-agricultural uses. This is achieved by the County through conscientious and consistent enforcement of the Uniform Rules and the terms of the contracts, which also maintains the constitutionality of administering preferential property tax assessments for these lands.<sup>244</sup>

### **2.2 Land Use Management in Santa Barbara County**

The overall development strategy of county officials has been to concentrate growth in cities while preserving agricultural and open space lands. Growth is regulated in unincorporated areas of the county by separate coastal, inland and community plans. Most vineyards and wineries are located in areas controlled by inland rules found in the Agricultural Element and the Winery Ordinance. Nearly half of the county's population resides in two cities, Santa Maria in the north and Santa Barbara in the south.<sup>245</sup> The city of Santa Barbara has a lengthy history of local growth control, brought on by a 1973 Goleta Water Board moratorium on new water hookups.<sup>246</sup> A 1990 update to the city's General Plan continued to use limits on water service to control growth.

The first General Plan was adopted in Santa Barbara County in 1965. Understanding the importance of local agriculture to the county, an Agricultural Element was included as part of a Comprehensive Plan update in 1991. A primary goal of the existing Comprehensive Plan is to protect agriculture from recreational or other non-compatible uses. Visitor-serving uses on agricultural lands are not addressed in the Agricultural Element but are instead covered in Section 35.42.280 of the county code, known as the Winery Ordinance. The Winery Ordinance includes definitions of winery uses and governs production levels, visitation, lot coverage, structural setbacks and winery events. Winery size is controlled by different winery tiers, with Tier I wineries requiring only ministerial approval by a county planner and Tier III wineries requiring a public hearing before the county planning commission for approval. There is no limit on gatherings of fewer than 80 people.<sup>247</sup> Wineries in the Coastal Zone are permitted through Conditional Use Permits subject to the Coastal Zone Management Act. Wineries located on lands subject to Williamson Act contracts must conform to the requirements of the county's Uniform Rules described above.

To better coordinate Santa Barbara County open space initiatives, county landowners merged two local land trusts to form The Land Trust for Santa Barbara County in 1985. The county's land trust is a non-profit organization that currently holds nearly 23,000 acres of private land protected from development, either in conservation easements or owned-in-fee by the Land Trust. With an extensive agricultural preserve program of Williamson Act participants in the county, most of the land trust's holdings are dedicated to outdoor recreation uses.<sup>248</sup>

244 Final paragraph taken from Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones, <http://longrange.sbcountyplanning.org/programs/uniformrules/documents/BOS%209-25-07/BOS%20Adopted%20Uniform%20Rules%20Final%209-25-07.pdf>

245 US Census Bureau Quick Facts, <http://quickfacts.census.gov/qfd/states/06/06083.html>

246 Howmany.org, [http://www.howmany.org/stewardship\\_santa\\_barbara.php](http://www.howmany.org/stewardship_santa_barbara.php)

247 Santa Barbara County Code Section 35.42.280, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/Section%2035%2082%20280%20Wineries.pdf](http://longrange.sbcountyplanning.org/programs/winery_ord/Section%2035%2082%20280%20Wineries.pdf)

248 The Land Trust for Santa Barbara County, <http://www.sblandtrust.org/current-projects/>

In 2004, Santa Barbara County initiated an update to its Comprehensive Plan. The revised plan was adopted in 2009. The Comprehensive Plan emphasizes preservation of agriculture while promoting the viability of the local wine industry by allowing secondary processing of wine grapes into finished wine. The Comprehensive Plan Agricultural Element includes the following goal statements:

- ❑ Santa Barbara County shall assure and enhance the continuation of agriculture as a major viable production industry. Where conditions allow (taking into account environmental impacts) expansion and intensification shall be supported.
- ❑ Agricultural lands shall be protected from adverse urban influence.
- ❑ Where it is necessary for agricultural lands to be converted to other uses, this use shall not interfere with remaining agricultural operations.
- ❑ Santa Barbara County shall allow areas and installations for those supportive activities needed as an integral part of the production and marketing process on and/or off the farm.

### **2.3 Land Use Provisions Governing Vineyards and Wineries**

#### **Comprehensive Plan**

The 2009 Santa Barbara County Comprehensive Plan contains goals and policies related to the regulation of wineries and vineyards, encouraging the growth of boutique wineries, preserving the agricultural intent of Williamson Act contracts and protecting agricultural land from urban encroachment and other incompatible land uses. The Preamble of the Agriculture Element communicates a broad county vision of economic development and agricultural preservation proclaiming, “agriculture is vital to the needs of the nation and the world. Agriculture is the largest production industry in Santa Barbara County and contributes a very large inflow of money into the county’s economy. The County, therefore, recognizes the need to protect and maintain a healthy economy and to provide for the conservation of its agriculture”. The Agricultural Element does not address wineries directly - instead commercial and industrial uses are managed through zoning overlays and by goals providing for non-farm facilities and activities. Goal V and its underlying Policies support implementation of zoning and Winery Ordinance provisions governing winery facilities on rural lands and reads as follows:

#### **Goal V**

Santa Barbara County shall allow areas and installations for those supportive activities needed as an integral part of the production and marketing process on and/or off the farm.

#### **Policy V.A.**

Santa Barbara County shall permit on-farm supportive installations for product handling and selling as prescribed in the Uniform Rules of the County’s Agricultural Preserve Program.

#### **Policy V.B.**

Santa Barbara County should allow areas for supportive agricultural services within reasonable distance and access to the farm user.

#### **Right to Farm**

The county’s Right to Farm ordinance was revised in 2009 as part of a general code update process. The basic intention of the ordinance is “to protect agricultural land uses on....land zoned exclusively for agricultural use from conflicts with nonagricultural land uses that may result in financial hardship to agricultural operators or the termination of their operation.” A further purpose of the Right to Farm ordinance is “to promote a good neighbor policy between agriculturalists and residents by advising purchasers and residents of property adjacent to or near agricultural operations of the inherent potential problems associated with such purchase or residence.”

Protections offered by the Right to Farm ordinance preserve a farmers’ right to conduct agricultural operations and ensure that legal agricultural operations will not be considered a nuisance. Right to farm ordinances generally affect

code enforcement activities and have the purpose of reducing the opposition of urban neighbors to commercial agriculture as a nuisance generator. Landowners within the unincorporated county are required to disclose the Right to Farm ordinance provisions to prospective buyers as part of real estate transactions, at the close of escrow and in a recorded document.

**Zoning Ordinance**

The Santa Barbara County Zoning Regulations are divided into a Land Use and Development Code for inland areas of the county and a Coastal Zoning Ordinance implementing the Coastal land Use Plan. There are very few wineries permitted pursuant to Coastal Zoning Ordinance as it is very restrictive and only applies to coastal zones. The ordinance includes two agricultural use categories: the AG-I zone and the AG-II zone. Each category permits the full range of primary agricultural uses but does not permit secondary processing of agricultural commodities except for wineries, which use is governed by Section 35.42.280 of the Santa Barbara County Code (known as the Winery Ordinance). The categories differ primarily in their setting with AG-1 zoned parcels in areas of mixed rural residential uses and near rural communities and AG-2 zoned parcels in more traditional farm settings.

The Winery Ordinance organizes wineries by tiers that reflect the intensity of industrial use, allocating a corresponding level of regulatory oversight. Proposed winery activities are evaluated through a graduated process with Tier I wineries with no tasting room permitted through a ministerial process, Tier II wineries permitted following public hearings before the zoning administrator, and Tier III wineries permitted following submittal of a Development Plan, extensive CEQA review and public hearings before the County Planning Commission.

The different winery tiers are based on level of production, with each production level accorded a minimum vineyard acreage requirement. See the table below for a comparison of winery sizes and entitlements by tier.

**Santa Barbara County Winery Tiers**

	<b>Tier I</b>	<b>Tier II</b>	<b>Tier III</b>
Production	<20,000 cases	<50,000 cases	>50,000 cases
Estate vineyards	2 acres per 1,000 cases	1 acre per 1,000 cases	½ acre per 1K cs
Winery Structures	20,000 ft2 footprint No tasting room	20,000 ft² footprint 400ft2 tasting room (or 10% of winery area)	Site specific
Events*	8 events of 150 people	10 events of 150 people	12 events of 200 40 events with CUP

\*Winery events attracting fewer than 80 attendees are not counted towards event totals.

The Winery Ordinance also has a requirement that 50% of the wine grapes produced at local wineries be sourced from Santa Barbara and San Luis Obispo Counties. It also provides for review of design and siting standards for all winery tiers considering access, parking, noise, traffic, winery events, lot coverage, effluent disposal and design aesthetic.<sup>249</sup> Additional regulatory oversight of wineries is achieved through the use of agricultural processing and sales ordinance provisions, exceptions and overlay zones.

Proposed Santa Barbara County Code amendments will establish agricultural setbacks that provide a buffer between agricultural operations on lands designated agricultural in the existing Comprehensive Plan and adjacent non-agricultural land uses. Generally, the buffer is defined as a physical separation of 100 to 400 feet on the development side.<sup>250</sup>

249 Santa Barbara County Winery Ordinance Update, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/wineryordinance.php](http://longrange.sbcountyplanning.org/programs/winery_ord/wineryordinance.php)  
 250 Santa Barbara County Planning Department, [http://longrange.sbcountyplanning.org/programs/ag\\_buffer/AgBufDNDdocs.pdf](http://longrange.sbcountyplanning.org/programs/ag_buffer/AgBufDNDdocs.pdf)

## ***Siting, Size, and Design***

Minimum lot size for new wineries holding events: 20 acres. Minimum setbacks for new winery structures in rural areas:

- ❑ 100 feet from adjacent property lines, increased to 200 feet for wineries conducting tours and tastings, conducting retail sales, or holding special events.
- ❑ 200 feet from residences on adjacent parcels, increased to 400 feet for wineries conducting tours and tastings, conducting retail sales or holding special events.
- ❑ Special events must be held over one thousand feet from a residential zone.

Maximum coverage of new or expanded wineries: (Coverage in this instance means the aggregate paved or impervious ground surface area.)

- ❑ Winery structural development shall not exceed 20,000 square feet for Tier I & II wineries.
- ❑ Winery tasting rooms shall not exceed 400 square feet in size or 10% of the winery development area in Tier II wineries

## **Tastings and other On-site Activities**

Public tours and tastings are permitted only at Tier II and Tier III wineries. Up to 40 winery events per year may be held at Tier III wineries pursuant to an approved Conditional Use Permit or individually permitted through the Temporary Use Permit process.

### **3.0 OUTCOMES OF REGULATIONS**

#### **3.1 Effectiveness**

Since Santa Barbara County adopted its Winery Ordinance in 2004, the winery approval process has been streamlined by appropriately scaling new winery approvals into tiers. The availability of the Tier I designation, with no winery visitation or tasting room has saved administrative planners and applicants time and expense by requiring only a ministerial review process with no public hearing. Proposed wineries producing fewer than 20,000 cases of wine per year but wanting to hold monthly events have been seeking Tier III winery approvals even though they involve a much more rigorous review process and a public hearing before the Santa Barbara County Planning Commission. These types of winery permit applications begin look more like commercial venues rather than agricultural processing facilities to the local planners.<sup>251</sup>

Overall, the tiered permit system appears to be working for both wineries and their neighbors. Unauthorized winery events are the most contentious issue that has arisen in public meetings currently being held to inform updates to the county Winery Ordinance. Wineries are not respecting limits on the number of events or attendees, causing conflicts with neighbors over traffic, noise and light pollution. Moreover, gatherings of fewer than 80 people are not counted towards a wineries annual cap but still cause land use conflicts with rural neighbors. A public meeting in Santa Maria on January 10, 2013 sought input from industry and neighbors concerning winery events to strike a balance between commercial activities at wineries and preservation the county's agricultural character. Despite a marked rise in wine tourism in Santa Barbara County since the release of the movie *Sideways*, new wineries have not affected other agricultural activity in the county.<sup>252</sup>

#### **3.2 Benefits**

The tiered approach to winery regulation taken by Santa Barbara County provides flexibility to appropriately scale the permit application process based on the impact a winery have on the environment, public facilities and surrounding land uses. Winery operations and accessory uses can be appropriately sized by tier, considering parcel size, lot coverage, traffic generation, noise and effluent disposal. The winery permit system has worked well to augment standard environmental and development review in most parts of Santa Barbara County. However, in areas where wineries are concentrated near rural residential neighborhoods, like in the Santa Ynez Valley, neighbors

251 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

252 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13

have objected to the frequency and intensity of winery events. Local residents in attendance at a public meeting about winery events in Santa Maria on January 10, 2013 did not oppose the agricultural processing activities at nearby wineries but were simply against wineries as venues for sales and events.<sup>253</sup>

One of the purposes of adopting a Winery Ordinance in Santa Barbara County was to make the winery approval process transparent to applicants and ordinary citizens. Clear understanding of the scale of winery proposals and the types of activities permitted has engendered better neighbor relations between wineries and residents. A streamlined permitting process and reduced friction with neighbors has led to the rapid growth of small, boutique wineries in recent years. These Tier I wineries with limited production rely on a few visitors to drive sales through mailing lists and wine clubs. The cumulative impacts of new Tier I wineries in Santa Barbara County are naturally mitigated by their low visitation and small development footprint.<sup>254</sup>

### **3.3 Problems**

The incompatibility of winery events with nearby rural residential land uses has created opposition to wineries in some parts of Santa Barbara County, particularly in the Santa Ynez Valley. County supervisors have been active in promoting ongoing efforts to update the Winery Ordinance to better define the size, frequency and nature of winery events. Addressing unlimited visitation by groups numbering fewer than 80 at wineries is a priority for residential neighbors while including language related to food service and commercial kitchens at wineries is important to county planning staff. The general consensus among wine industry representatives at recent public meetings about the Winery Ordinance is to prohibit restaurants at all Santa Barbara County wineries.<sup>255</sup>

Approved wineries in Santa Barbara County are routinely violating the Winery Ordinance and specific conditions of their winery permits by staging events that exceed limits on visitation, traffic generation, parking and noise, according to David Lacke. Moreover, winery neighbors are not reporting violators to the county code compliance team. Local policy dictates that absent a complaint, a code compliance officer cannot take action against violators, creating a situation where flagrant and repeated violations occur at some wineries. The county is not considering changes to winery enforcement as part of updates to its Winery Ordinance.<sup>256</sup>

### **3.4 Initiatives to Address Issues**

Officials in Santa Barbara County have sought to address winery-related land use conflicts by updating the local Winery Ordinance. Issues like private tasting rooms complicate the regulation of wineries by separating public and private visitors. If the private tasting room serves wine club members, should they be counted as public tasting room visitors? How should wine industry representatives, like distributors, be counted? Understanding and articulating public and private visitation at local wineries is one of the objectives of the Winery Ordinance update process.<sup>257</sup>

Refining language in the current Winery Ordinance related to winery events is a main reason for the update. Lowering the winery event threshold below 80 visitors will address neighbor concerns about related traffic, noise and lighting by reducing the frequency of winery gatherings. Sophisticated rural neighbors have been delaying winery permit applications with lengthy environmental reviews that raise concerns about the impacts of winery visitation. Clarifying the size, frequency and nature of winery events in an amended Winery Ordinance will make the winery permit process more efficient and transparent. The regulation of winery events may ultimately involve individual event approvals through Temporary Use Permits that can be withheld from flagrant violators.<sup>258</sup>

## **4.0 REFERENCES**

Bien Nacito Vineyards, <http://biennacidovineyards.com/>

California Government Code (Sections 65000 et seq.).

California Public Resources Code (Sections 21000 et seq.)

253 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

254 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

255 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

256 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

257 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

258 Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13.

Central Coast Winegrowers Association, <http://www.ccwga.org/aboutus.php>

Food & Wine Magazine, Santa Barbara County Wine Region Basics, <http://www.foodandwine.com/articles/santa-barbara-county-wine-region-basics>

Governor's Office of Planning and Research, [http://ceres.ca.gov/planning/planning\\_guide/plan\\_index.html#anchor156525](http://ceres.ca.gov/planning/planning_guide/plan_index.html#anchor156525)

Howmany.org, [http://www.howmany.org/stewardship\\_santa\\_barbara.php](http://www.howmany.org/stewardship_santa_barbara.php)

Santa Barbara County Agricultural Commissioner, <https://www.countyofsb.org/visiting.aspx?id=1958>

Santa Barbara County Agricultural Preserve Programs, <http://www.countyofsb.org/agcomm/agcomm.aspx?id=30828>

Santa Barbara County Code Chapter 3, Article V. <http://library.municode.com/index.aspx?clientId=16322&stateId=5&stateName=California&customBanner=16322.jpg&imageclass=L&cl=16322.txt>

Santa Barbara County Code Section 35.42.280, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/Section%2035%2082%20280%20Wineries.pdf](http://longrange.sbcountyplanning.org/programs/winery_ord/Section%2035%2082%20280%20Wineries.pdf)

Santa Barbara County 2011 Crop Report, <http://www.countyofsb.org/uploadedFiles/agcomm/crops/CR2011Final.pdf>

Santa Barbara County Flood Control and Water Conservation District, <http://www.countyofsb.org/uploadedFiles/pwd/Water/Environmental/GoletaSloughFSEIR-Section5-3.pdf>

Santa Barbara County General Plan Agricultural Element, <http://longrange.sbcountyplanning.org/programs/genplanreformat/PDFdocs/Agricultural.pdf>

Santa Barbara County Planning Department, [http://longrange.sbcountyplanning.org/programs/ag\\_buffer/AgBufDNDdocs.pdf](http://longrange.sbcountyplanning.org/programs/ag_buffer/AgBufDNDdocs.pdf)

Santa Barbara County Planning and Development Department Summary of Zones, [http://sbcountyplanning.org/pdf/Summary\\_Of\\_Zones\\_In\\_Santa\\_Barbara\\_County.pdf](http://sbcountyplanning.org/pdf/Summary_Of_Zones_In_Santa_Barbara_County.pdf)

Santa Barbara County Statistical Profile, <http://www.countyofsb.org/ceo/budgetresearch/documents/budget0809/200%2008-09%20Section%20B%20County%20Statistical.pdf>

Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones, <http://longrange.sbcountyplanning.org/programs/uniformrules/documents/BOS%209-25-07/BOS%20Adopted%20Uniform%20Rules%20Final%209-25-07.pdf>

Santa Barbara County Vintners Association, <http://www.sbcountywines.com/SBC.html>

Santa Barbara County Winery Ordinance, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/Section%2035%2082%20280%20Wineries.pdf](http://longrange.sbcountyplanning.org/programs/winery_ord/Section%2035%2082%20280%20Wineries.pdf)

Santa Barbara County Winery Ordinance Update, [http://longrange.sbcountyplanning.org/programs/winery\\_ord/wineryordinance.php](http://longrange.sbcountyplanning.org/programs/winery_ord/wineryordinance.php)

Santa Barbara Independent, What's the Future of the Wine Industry? Published August 24, 2012, <http://www.independent.com/news/2012/aug/24/whats-future-wine-country/>

Santa Barbara Wine History, [http://www.sbwinery.com/about\\_us/wine-history-santa-barbara.html](http://www.sbwinery.com/about_us/wine-history-santa-barbara.html)

Santa Maria Visitors Bureau, [http://santamariavisitor.com/cm/press\\_room/fast\\_facts/wine\\_facts.html](http://santamariavisitor.com/cm/press_room/fast_facts/wine_facts.html)

Santa Ynez Valley News "County needs new ordinance for wineries", Published November 3, 2011, [http://syvnews.com/opinion/editorial/county-needs-new-ordinance-for-wineres/article\\_c1333808-0510-11e1-9ef7-001cc4c002e0.html](http://syvnews.com/opinion/editorial/county-needs-new-ordinance-for-wineres/article_c1333808-0510-11e1-9ef7-001cc4c002e0.html)

Santa Ynez Valley News, County working to resolve growing friction between vintners, locals, [http://syvnews.com/news/local/county-working-to-resolve-growing-friction-between-vintners-locals/article\\_0c35ac96-5560-11e2-84c1-001a4bcf887a.html](http://syvnews.com/news/local/county-working-to-resolve-growing-friction-between-vintners-locals/article_0c35ac96-5560-11e2-84c1-001a4bcf887a.html)

Santa Ynez Valley News “Fix the winery ordinance, everyone’s a winner”, Published August 23, 2012, [http://syvnews.com/news/opinion/commentary/fix-winery-ordinance-everyone-s-a-winner/article\\_2e8e4aa4-ec07-11e1-828a-001a4bcf887a.html](http://syvnews.com/news/opinion/commentary/fix-winery-ordinance-everyone-s-a-winner/article_2e8e4aa4-ec07-11e1-828a-001a4bcf887a.html)

Santa Ynez Valley News “Vintners argue for ‘balance’ in winery rules”, Published December 20, 2012 [http://syvnews.com/news/local/govt-and-politics/vintners-argue-for-balance-in-winery-rules/article\\_fab5ce54-4a5d-11e2-b8ab-0019bb2963f4.html](http://syvnews.com/news/local/govt-and-politics/vintners-argue-for-balance-in-winery-rules/article_fab5ce54-4a5d-11e2-b8ab-0019bb2963f4.html)

Telephone conversation with David Lacke, Santa Barbara County Supervising Planner, 1/11/13

The Land Trust for Santa Barbara County, <http://www.sblandtrust.org/current-projects/>

US Census Bureau Quick Facts, accessed November 3, 2012 <http://quickfacts.census.gov/qfd/states/41/41071.html>

Wine Country Weekend, accessed November 19, 2012 [www.winecountryweekend.com/](http://www.winecountryweekend.com/)

Wine Institute. “The Appellations of California Wine: the North Coast.” 2012, accessed October 29, 2012 <http://www.wineinstitute.org/resources/consumerfeaturedstories/article338>

## APPENDIX A

### Santa Barbara County Agricultural Policies and Zoning Regulations

#### Santa Barbara County 2009 Comprehensive Plan

#### Agricultural Resources Element

##### DEFINITIONS

**AGRICULTURE:** The production of food and fiber, the growing of plants, the raising and keeping of animals, aquaculture, and preparation for marketing of products in their natural form when grown on the premises, and the sale of products which are accessory and customarily incidental to the marketing of products in their natural form grown on the premises.

**AGRICULTURAL IMPROVEMENT:** Agricultural activities or structures on agriculturally designated land which are not subject to building, grading, or brush-clearing permits. These activities and structures may be subject to special agricultural building, agricultural grading, or special agricultural brush-clearing permits.

**AGRICULTURAL DEVELOPMENT:** Any agricultural building, structure, practice, or operation that a) requires a building, grading, or brush-clearing permit on land designated for agriculture; and/or b) is located on land which has had no history of cultivation; and/or c) is on land not designated for agriculture. A permit solely for plumbing or electricity shall not constitute a standard building permit.

**AGRICULTURAL SUPPORT USE:** Uses such as the sorting and processing of local fruits and vegetables, wineries, or feed distribution; that are a necessary and integral part of maintaining on-premise production and marketing, and that are directly associated with onsite agricultural or ornamental crop, or animal raising operations. Other uses permitted by Conditional Use Permit in an agricultural district such as oil drilling are not to be construed as an agricultural support use.

**FEED DISTRIBUTION:** The temporary storage and dispersal of animal feed for the purpose of supporting the primary onsite animal raising activities. The use may include, for secondary purposes, the offsite dispersal of feed on an incidental basis, when not for the purpose of profit resale or of providing a regional service.

##### GOALS AND POLICIES

**GOAL I.** Santa Barbara County shall assure and enhance the continuation of agriculture as a major viable production industry in Santa Barbara County. Agriculture shall be encouraged. Where conditions allow, (taking into account environmental impacts) expansion and intensification shall be supported.

Policy IA. The integrity of agricultural operations shall not be violated by recreational or other non-compatible uses. Imposition of any condition requiring an offer of dedication of a recreational trail or other recreational easement shall be discretionary (determined on a case-by- case basis), and in exercising its discretion, the County shall consider the impact of such an easement upon agricultural production of all lands affected by and adjacent to said trail or other easement.

1. On lands which are in agricultural production and have a zoning or Comprehensive Plan designation for agriculture, provisions for recreational trails or other recreational easements defined in the Comprehensive Plan may be imposed by the County as a condition for a discretionary permit or land division only in the following circumstances:
  - a. The area in which the trail is proposed to be located is land which is not under cultivation or being grazed or is not part of a rotation program, or is not an integral part of the agricultural operations on the parcel; or,
  - b. The land use permit requested is not for a use which is compatible with agricultural production on the property, as defined in the County Agricultural Preserve Uniform Rules. In this instance, the recreational trail or other recreational use shall be required to be located only on the portion of the property taken out of agricultural production for the permit; or,



- c. The land division requested requires a rezoning of the property to a more intensive zone district than that applied to the property prior to the application.
2. A recreational trail or other recreational use shall not be required as a condition for a discretionary permit (except a land division or a rezone which permits a smaller minimum parcel size than that permitted on the property at the time of the application) on lands which are in agricultural production and have a zoning or Comprehensive Plan designation for agriculture, in the following circumstances:
  - a. The permit requested is for a lot line adjustment or Minor Conditional Use Permit only; or,
  - b. The discretionary permit requested is compatible with the agricultural use of the land, as defined in the County Agricultural Preserve Uniform Rules.
3. The following trails shall not be subject to paragraphs 1 and 2 above due to their historic and recreational significance:
 

Franklin Trail Arroyo Burro Trail Fremont Trail San Antonio Canyon Trail
4. Where trails are required, they shall be sited to minimize the impacts to prime soils, agricultural operations, public safety, and environmentally sensitive areas.

Policy I.B. The County shall recognize the rights of operation, freedom of choice as to the methods of cultivation, choice of crops or types of livestock, rotation of crops and all other functions within the traditional scope of agricultural management decisions. These rights and freedoms shall be conducted in a manner which is consistent with: (1) sound agricultural practices that promote the long-term viability of agriculture and (2) applicable resource protection policies and regulations.

Policy I.C. To increase agricultural productivity, the County shall encourage land improvement programs.

Policy I.D. The use of the Williamson Act (Agricultural Preserve Program) shall be strongly encouraged and supported. The County shall also explore and support other agricultural land protection programs.

Policy I.E. The County shall recognize that the generation of noise, smoke, odor, and dust is a natural consequence of the normal agricultural practices provided that agriculturalists exercise reasonable measures to minimize such effects.

Policy I.F. The quality and availability of water, air, and soil resources shall be protected through provisions including but not limited to, the stability of Urban/Rural Boundary Lines, maintenance of buffer areas around agricultural areas, and the promotion of conservation practices.

Policy I.G. Sustainable agricultural practices on agriculturally designated land should be encouraged in order to preserve the long-term health and viability of the soil.

GOAL II. Agricultural lands shall be protected from adverse urban influence.

Policy II.A. Santa Barbara County shall require measures designed for the prevention of flooding and silting from urbanization, especially as such damage relates to approved development. Policy II.B. Santa Barbara County shall recognize, and give high priority to, the need for protection from trespass, thievery, vandalism, roaming dogs, etc., on all agricultural lands.

Policy II.C. Santa Barbara County shall discourage the extension by the Local Agency Formation Commission (LAFCO) of urban spheres of influence into productive agricultural lands designated Agriculture II (A-II) or Commercial Agriculture (AC) under the Comprehensive Plan.

Policy II.D. Conversion of highly productive agricultural lands whether urban or rural, shall be discouraged. The County shall support programs which encourage the retention of highly productive agricultural lands.

GOAL III. Where it is necessary for agricultural lands to be converted to other uses, this use shall not interfere with remaining agricultural operations.

Policy III.A. Expansion of urban development into active agricultural areas outside of urban limits is to be discouraged, as long as infill development is available.

Policy III.B. It is a County priority to retain blocks of productive agriculture within Urban Areas where reasonable, to continue to explore programs to support that use, and to recognize the importance of the objectives of the County's Right to Farm Ordinance.

GOAL IV. Recognizing that agriculture can enhance and protect natural resources, agricultural operations should be encouraged to incorporate such techniques as soil conservation and sound fire risk reduction practices.

Policy IV.A. Major wildfires cause severe erosion, property damage, and safety hazards. The County shall encourage range improvement and fire hazard reduction programs, including prescribed burning of brush and alternative non-burning techniques. Such programs shall be designed and conducted to avoid excessive erosion and other significant adverse effects on the environment for the purpose of increasing water yields, improving wildlife habitat, wildlife protection, and increasing agricultural productivity.

Policy IV.B. Because of fire-risk reduction or soil instability, the use of certain slopes for agricultural production may be preferable to leaving the land in its natural state, or allowing non-agricultural development provided that adverse effects are minimized.

Policy IV.C. Grading and brush clearing for new agricultural improvements on hillsides shall not cause excessive erosion or down slope damage.

GOAL V. Santa Barbara County shall allow areas and installations for those supportive activities needed as an integral part of the production and marketing process on and/or off the farm.

Policy V.A. Santa Barbara County shall permit on-farm supportive installations for product handling and selling as prescribed in the Uniform Rules of the County's Agricultural Preserve Program.

Policy V.B. Santa Barbara County should allow areas for supportive agricultural services within reasonable distance and access to the farm user.

GOAL VI: The County should make effective-provision for access to agricultural areas and for the necessary movement of agricultural crops and equipment.

Policy VI.A. To the maximum extent feasible, the County Public Works Department shall design roads with the type and size of vehicles and/or equipment in mind which are used in the agricultural operations of the area.

# SANTA BARBARA COUNTY LAND USE & DEVELOPMENT CODE

## Inland Agricultural Zoning Regulations

### 35.21.010 - Purpose

This Chapter lists the land uses that may be allowed within the Agricultural zones established by Section 35.14.020 (Zoning Map and Zones), determines the type of planning permit/approval required for each use and provides basic standards for site layout and building size.

### 35.21.020 - Purposes of the Agricultural Zones

The purposes of the individual Agricultural zones and the manner in which they are applied are as follows.

#### A. AG-I (Agricultural I) zone.

1. The AG-I zone is applied to areas appropriate for agricultural use within Urban, Inner Rural, Rural (Coastal Zone only), and Existing Developed Rural Neighborhood areas, as designated on the Comprehensive Plan maps. The intent is to provide standards that will support agriculture as a viable land use and encourage maximum agricultural productivity.
2. Within the Coastal Zone, the AG-I zone is intended to designate and protect lands appropriate for long term agricultural use within or adjacent to urbanized areas and to preserve prime agricultural soils.

#### B. AG-II (Agricultural II) zone.

1. The AG-II zone is applied to areas appropriate for agricultural land uses on prime and non-prime agricultural lands located within the Rural Area as shown on the Comprehensive Plan maps. The intent is to preserve these lands for long-term agricultural use.
2. Within the Coastal Zone, the AG-II zone is intended to provide for agricultural land uses on large properties (a minimum of 40- to 320-acre lots) with prime and non-prime agricultural soils in the rural areas of the County, and to preserve prime and non-prime soils for long-term agricultural use.

### 35.21.030 - Agricultural Zones Allowable Land Uses

- A. General permit requirements. Table 2-1 (Allowed Land Uses and Permit Requirements for Agricultural Zones) identifies the uses of land allowed by this Development Code in each Agricultural zone, and the planning permit required to establish each use, in compliance with Section 35.20.030 (Allowable Development and Planning Permit Requirements).
- B. Requirements for certain specific land uses. Where the last column (“Specific Use Regulations”) in Table 2-1 (Allowed Land Uses and Permit Requirements for the Agricultural Zones) includes a section number, the referenced Section may affect whether the use requires a Coastal Development Permit or a Land Use Permit, Development Plan, Minor Conditional Use Permit, or Conditional Use Permit, and/or may establish other requirements and standards applicable to the use.
- C. Development Plan approval required, Coastal Zone. Within the Coastal Zone, Final Development Plan approval in compliance with Section 35.82.080 (Development Plans) is required concurrent with the approval of a Coastal Development Permit for a structure, other than an agricultural reservoir, that is not otherwise required by this Development Code to have discretionary permit approval, and is 20,000 or more square feet in gross floor area, or is an attached or detached addition that together with existing structures on the site will total 20,000 square feet or more in gross floor area.
- D. Development Plan approval required, Inland area.
  1. AG-I zone. On property zoned AG-I located within the Inland area, the approval of a Final Development Plan in compliance with Section 35.82.080 (Development Plans) is required prior to the approval of a Land

Use Permit or Zoning Clearance for a structure, other than an agricultural reservoir, that is not otherwise required by this Development Code to have discretionary permit approval, and (1) is 20,000 or more square feet in gross floor area or (2) is an attached or detached structure and the gross floor area thereof, when added to the gross floor area of existing structures on the lot, will equal or exceed 20,000 square feet.

2. AG-II zone. On property zoned AG-II located within the Inland area, the approval of a Final Development Plan in compliance with Section 35.82.080 (Development Plans) is required prior to the approval of a Land Use Permit or Zoning Clearance for the following structural development that is not otherwise required by this Development Code to have discretionary permit approval:
  - a. Non-agricultural structural development. The proposed structure and use thereof does not qualify as agricultural structural development (see Article 35.11, Glossary) and is either 15,000 or more square feet in gross floor area or the structure is an attached or detached addition that, together with existing structures on the site that do not qualify as agricultural structural development, will total 15,000 square feet or more in gross floor area.
    - (1) Floor area not included in total gross floor area. The gross floor area of structures that are exempt from planning permit requirements in compliance with Section 35.20.040 (Exemptions from Planning Permit Requirements) is not included in the total gross floor area on the lot for the purpose of determining whether the approval of a Final Development plan is required in compliance with Subsections D.2.a, above.
  - b. Agricultural structural development. The proposed structure and use thereof do qualify as agricultural structural development and meets one or more of the following:
    - (1) The proposed structure is 15,000 or more square feet in gross floor area or is an addition to an existing structure that will result in a structure of 15,000 or more square feet in gross floor area after completion of the addition.
    - (2) The proposed structure is 10,000 or more square feet in gross floor area or is an addition to an existing structure that will result in a structure of 10,000 or more square feet in gross floor area after completion of the addition, and:
      - (a) A different structure that qualifies as agricultural structural development that is 10,000 or more square feet in gross floor area exists on the lot, or
      - (b) There is an active, unexpired planning permit that allows for the construction of a different structure that qualifies as agricultural structural development that is 10,000 or more square feet in gross floor area, or
      - (c) The application for the proposed structure is submitted either in conjunction with or subsequent to an application for a different structure that qualifies as agricultural structural development that is 10,000 or more square feet in gross floor area.
    - (3) The proposed structure(s) will result in a total gross floor area on a lot that exceeds the development plan threshold listed for the applicable lot area as shown in the table below. Total gross floor area includes the gross floor area of agricultural development and non-agricultural structural development, both existing and proposed. Floor area not included in total gross floor area. The gross floor area of the following structures is not included in the total gross floor area on the lot for the purpose of determining whether the approval of a Final Development plan is required in compliance with Subsection D.2.b.(3), above.
      - (a) The gross floor area of structures that are exempt from planning permit requirements in compliance with Section 35.80.040 (Exemptions from Planning Permit Requirements).
      - (b) A maximum of 10,000 square feet of gross floor area of structures that qualify as agricultural structural development and comply with the following:

- (i) Each structure does not exceed 3,000 square feet of gross floor area.
- (ii) Each structure has three or fewer walls, and at least one of the long sides of the structure shall be open and shall only utilize posts to support the roof. Proposed structures that do not require the approval of a Final Development Plan in compliance with Subsection D.2.b.(3) and Subsection D.2.b.(4), above, shall comply with Subsection 35.21.050.C (Development standards for agricultural structural development that does not require the approval of a Final Development Plan). Proposed structures that do not comply with Subsection 35.21.050.C may be allowed in compliance with an approved Final Development Plan.

(4) Exemptions from floor area calculations, wineries. Gross floor area associated with the following structures is not included in determining the 20,000 square foot gross floor area threshold for that development which requires a Development Plan in compliance with Subsection D.1 and D.2, above.

- a. The structure qualifies as winery structural development.
- b. If the structure is existing, then it was included in a Land Use Permit issued for a winery or is proposed to become part of a winery for which an application has been submitted to the Department.

E. Design Review required. Design Review may be required prior to the approval of a planning permit for a structure, or an addition to or an alteration of, an existing structure in compliance with Section 35.82.070 (Design Review).

F. Accessory structures and uses. Each use allowed by Table 2-1 (Allowed Land Uses and Permit Requirements for the Agricultural Zones) may include accessory structures and uses that are customarily incidental to the primary use.

**35.21.040 - Agricultural Zones Lot Standards** Each subdivision and residential development shall comply with the following minimum lot area and building site requirements for the applicable zone.

- A. Minimum lot area. Each lot in a proposed subdivision shall comply with the minimum gross lot area requirements in Table 2-2 (Minimum Lot Area/Building Site Area).
- B. Minimum building site area for residential use. Each primary dwelling shall be located on a lot with the minimum gross area shown in Table 2-2 (Minimum Lot Area/Building Site Area). A dwelling and its accessory structures and uses may also be located on a smaller existing legal lot unless it is a fraction lot.

**35.21.050 - Agricultural Zones Development Standards**

- A. General development standards. Development within the Agricultural zones shall be designed, constructed, and established in compliance with the requirements in Table 2-3 (AG-I and AG-II Zones Development Standards) below, and all applicable standards in Article 35.3 through Article 35.7 of this Development Code. These standards apply within the Coastal Zone and Inland area, except where noted.
- B. Community Plan overlay requirements. Section 35.28.210 (Community Plan Overlays) establishes additional requirements and standards that apply to development and uses located in an applicable community or area plan as specified in Section 35.28.210 (Community Plan Overlays).
- C. Development standards for agricultural structural development that does not require the approval of a Final Development Plan. In addition to the development standards listed in Subsections 35.21.050.A, above, all development associated with the construction of agricultural structural development that does not require the approval of a Final Development Plan in compliance with Subsection 35.21.030.D.2.b.(2) and Subsection 35.21.030.D.2.b.(3) shall comply with all of the additional development standards listed below. If these requirements are in conflict with other provisions of the Comprehensive Plan or any applicable community or area plan, this Development Code, or any permit conditions established by the County, the more restrictive requirements shall control.

1. The development shall avoid or minimize significant impacts to agriculture to the maximum extent feasible by siting structures so as to minimize impacts to productive agricultural land, prime soils, and adjacent agricultural operations.
2. The development shall be located no less than 100 feet from the following environmental sensitive habitat areas that are determined by a qualified professional to be intact and of high quality. This setback may be adjusted upward or downward on a case-by-case basis depending upon site specific conditions such as slopes, biological resources and erosion potential.
  - a. Native plant communities recognized as rare by California Department of Fish and Game (2003 or as amended). Examples include Native Grasslands, Maritime chaparral, Bishop Pine Forests, and Coastal Dune Scrub.
  - b. Native woodlands and forests.
  - c. Nesting, roosting, and/or breeding areas for rare, endangered or threatened animal species.
    - (1) Rare, endangered, or threatened species are defined as those listed by State or Federal wildlife agencies under the State or Federal Endangered Species Acts, candidates for listing, species of special concern, and species that meet the definition of “rare” in Section 15380 of California Environmental Quality Act.
    - (2) A separation of greater than 100 feet may be required in order to fully protect formally listed Endangered Species (e.g., a 100 foot separation may not fully protect known breeding ponds for California Tiger Salamander).
  - d. Plant communities known to contain rare, endangered, or threatened species. e. Streams, riparian areas, vernal pools, and wetlands.
  - f. Any designated Environmental Sensitive Habitat Areas.
3. The development shall preserve natural features, landforms and native vegetation such as trees to the maximum extent feasible.
4. The development shall be compatible with the character of the surrounding natural environment, subordinate in appearance to natural landforms, and sited so that it does not intrude into the skyline as seen from public viewing places. At a minimum, the development shall comply with the following design standards.
  - a. Exterior lighting shall be for safety purposes only and shall comply with the following requirements:
    - (1) Light fixtures shall be fully shielded (full cutoff) and shall be directed downward to minimize impacts to the rural nighttime character.
    - (2) To the extent feasible, lighting shall be directed away from habitat areas, nearby residences, public roads and other areas of public use.
  - b. Building materials and colors (earth tones and non-reflective paints) compatible with the surrounding natural environment shall be used to maximize the visual compatibility of the development with surrounding areas.

# SANTA BARBARA COUNTY LAND USE AND DEVELOPMENT CODE

## Agricultural Processing Provisions and Winery Ordinance

### 35.42.040 - Agricultural Processing Facilities

A.

Purpose and applicability. This Section establishes standards and procedures for agricultural processing facilities, where allowed by Article 35.2 (Zones and Allowable Land Uses).

B. Standards.

1. Agricultural processing facilities shall be subject to the following standards.
  - a. The facility may be used for the sorting, cleaning, packing, freezing, and storage of horticultural and agricultural products (other than animals) grown on or off the premises preparatory to wholesale or the retail sale and/or shipment in their natural form.
  - b. The facility shall be accessory to and supportive of other agricultural operations located on the same premises as the proposed facility and on other local agricultural lands that are located within 25 miles of the boundaries of the County.
  - c. The primary purpose of the facility shall not be to import, on a continuing basis, horticultural or agricultural products from land more than 25 miles beyond the boundaries of the County for local processing, distribution, or sale. In the Coastal Zone, on lands zoned AG-I, these facilities shall be restricted to serving South Coast Agriculture.
  - d. Products processed at the facility are determined by the review authority to be the same as or similar to products grown on the premises where the facility is located or on other local agricultural lands located within 25 miles of the boundaries of the County.
  - e. Outside the Coastal Zone, the facility and products shall be consistent with the Uniform Rules for Agricultural Preserves and Farmland Security Zones.
  - f. This type of facility shall not be located on prime soils unless an alternative location on nonprime soils does not exist within a reasonable distance of the proposed site.
2. Additional agricultural processing facilities consisting of commercial and/or industrial development, structures, uses, and areas that are directly related to the processing, packaging, treatment and/or sale of agricultural, commodities, transportation facilities required to support agriculture or fertilizer manufacturing area allowed in the Inland area within rural areas designated with the Agricultural Industry Overlay on the Comprehensive Plan maps, provided that a Development Plan is approved in compliance with Section 35.82.080 (Development Plans).

C. Permit requirements (Coastal Zone).

1. Applications for facilities shall be accompanied by:
  - a. A landscape plan in compliance with Section 35.34.030 (Landscape Plans).
  - b. Information regarding truck vehicle routes that will serve the facility.
2. A Conditional Use Permit for an agricultural processing facility shall not be required under this Section if the facility is primarily devoted to the processing of products grown on the premises, which may include products grown off-premises if accessory and customarily incidental to the marketing of the products in their natural form that are grown on premises.

### 35.42.280 – Wineries

- A. Purpose and applicability. This Section provides regulations for the development and operation of wineries, where allowed by Article 35.2 (Zones and Allowable Land Uses). The intent is to promote the orderly development of wineries within the County and ensure their compatibility with surrounding land uses in order to protect the public health, safety, natural, and visual resources.
- B. Coastal Zone permit requirements and development criteria.
  - 1. Wineries, including processing, distribution, and sale of wine grapes and wine grape products grown off the premises that comply with all of the following criteria may be allowed subject to the approval of a Conditional Use Permit in compliance with Section 35.82.060 (Conditional Use Permits and Minor Conditional Use Permits).
    - a. The winery is located on premises used for vineyard purposes.
    - b. The winery is operated in connection with the processing of wine grapes grown on the premises.
    - c. Retail sales of wine grape products shall be limited to those grown on the premises.
- C. Inland area permit requirements and development criteria.
  - 1. Wineries that comply with all of the following criteria may be allowed subject to the issuance of a Land Use Permit in compliance with Section 35.82.110 (Land Use Permits).
    - a. For every 1,000 cases of wine produced per year there shall be a minimum two acres of vineyard planted on the winery premises.
    - b. The production capacity of the winery shall not exceed 20,000 cases per year.
    - c. The winery premises shall not contain a tasting room.
    - d. Winery structural development located within the winery premises shall not exceed 20,000 square feet.
    - e. Winery special events occurring on the winery premises shall not exceed four per year and the attendance at each event shall not exceed 150 attendees. Otherwise, the winery shall not be open to the public and shall not offer tours and retail wine sales to the public.
  - 2. Wineries that comply with all of the following criteria may be allowed subject to a Development Plan approved by the Zoning Administrator in compliance with Section 35.82.080 (Development Plans).
    - a. For every 1,000 cases of wine produced there shall be a minimum one-acre of vineyard planted on the winery premises.
    - b. The production capacity of the winery shall not exceed 50,000 cases per year.
    - c. The winery may include a tasting room. However, the floor area of the tasting room shall not exceed 400 square feet or 10 percent of the winery structural development area located on the winery premises, whichever is greater.
    - d. Winery structural development located within the winery premises shall not exceed 20,000 square feet.
    - e. Winery special events occurring on the winery premises shall not exceed eight per year and the attendance at each event shall not exceed 150 attendees.
  - 3. Wineries that comply with all of the following development standards may be allowed subject to a Development Plan approved by the Commission in compliance with Section 35.82.080 (Development Plans). The production capacity of the winery is not limited and the winery may contain a tasting room.



- a. For every 1,000 cases of wine produced there shall be at a minimum one-half acre of vineyard planted on the winery premises.<sup>4</sup>

County Land Use and Development Code Section 35.42.280 Wineries Page 2

- b. Winery special events occurring on the winery premises shall not exceed 12 per year and the attendance at each event may not exceed 200 attendees.
  - (1) Winery special events in excess of 12 per year or where the attendance at one or more events exceeds 200 may be allowed in compliance with a Conditional Use Permit approved by the Commission in compliance with Section 35.82.060 (Conditional Use Permits and Minor Conditional Use Permits).
  - (2) The number of special events allowed by a Conditional Use Permit shall not exceed 40 days per year. The Department shall refer winery applications to the Subdivision/Development Review Committee and the Board of Architectural Review for review and recommendation to the review authority.

D. Development standards for winery facilities located in the Inland area. Wineries shall also comply with the following development standards, unless otherwise indicated. The standards contained in this Subsection shall supersede other regulations contained in this Development Code in the case of a conflict. However, other portions of the Santa Barbara County Code, as well as permitting requirements of other County Departments may contain standards and regulations that apply to winery development.

1. In general:

- a. The primary purpose of the winery shall be to process wine grapes grown on the winery premises or on other local agricultural lands located within Santa Barbara County and San Luis Obispo County. No more than 50 percent of the grapes processed over a five year period shall be imported from outside of Santa Barbara County and San Luis Obispo County.
- b. Retail sales of wine grape products shall be limited to those produced by the winery operator or bottled or grown on the winery premises.

2. Setbacks:

- a. Structures and outdoor use areas associated with a winery shall provide a minimum setback of 100 feet from adjacent lots. This setback shall be increased to 200 feet if the winery includes public tours, public wine tasting, retail sales, or special events.
- b. Structures and outdoor use areas associated with a winery shall provide a minimum setback of 200 feet from an existing residence located on an adjacent lot. The setback shall be increased to 400 feet if the winery includes public tours, public wine tasting, retail sales, or special events. A winery shall be considered to comply with these setback requirements, and shall not be considered nonconforming, if, after the approval for the winery is granted (either by an approved Development Plan or issued Land Use Permit), a residence is constructed on property that is either not owned by the owner of the property on which the winery is located or is not part of the winery premises, and the location of the residence is within the setback distances specified above.
- c. The setbacks may be reduced by the review authority provided any of the following findings are made. However, the setbacks shall not be reduced to below that which is normally required by the applicable zones or Article 35.2 (Zones and Allowable Land Uses).
  - (1) There is not a feasible way to meet the required setbacks without creating a significant environmental impact or impacting prime agricultural land (i.e., Soil Conservation Service Class I and II).
  - (2) The setback distances are not practical or feasible due to existing topographic conditions or onsite vegetation.
  - (3) The setback reduction is proposed for a legally constructed existing structure, and as indicated below.

- (a) It can be clearly demonstrated that the structure was intended to be used for a legitimate agricultural or residential use, and
  - (b) The use of the structure as part of a winery operation shall not adversely affect neighboring properties.
- (4) The setback reduction is proposed for a structure that is part of an existing nonconforming winery operation and proposed additions to the structure are located no closer to the closest property line than the existing structure is located.
- d. The minimum setback distances required under Subsections 2.a. and 2.b. above do not apply if the adjoining property is under the same ownership as the lot that the winery is located on or is included within the winery premises.
3. Access/street addressing:
- a. Access to the winery premises and access ways within the winery premises, shall be designed to the satisfaction of the County Traffic Engineer and County Fire Department and shall comply with the applicable County private road and driveway standards and requirements. Ingress and egress shall be clearly marked and visible, and turning movements into the winery premises shall not create congestion or unnecessary slowing at access points. Structure address numbers shall be posted at the driveway/access road winery premises entrances and on winery structures in compliance with County Fire Department requirements.
  - b. Existing roads shall be utilized to the maximum extent feasible in order to minimize grading, site disturbance, and the loss of agricultural land.
4. Design standards. New structures associated with the winery including production facilities shall be subject to review and approval by the Board of Architectural Review in compliance with Section 35.82.070 (Design Review). Exterior changes to existing structures associated with the winery shall be subject to review and approval by the Board of Architectural Review in compliance with Section 35.82.070 (Design Review) unless the exterior changes are determined to be minor by the Director. In addition, the following design standards shall also apply.
- a. Exterior. The design, scale, and character of the winery shall be compatible with existing development in the vicinity. Structures associated with the winery including production facilities shall have an exterior design style that is agricultural or residential in nature using earth tones and non-reflective paints, siding, and roofing materials. Structures shall not use an exterior design style typically associated with large industrial facilities.
  - b. Screening. The visibility of winery structures from public roads shall be minimized through the use of landscaping and other screening devices to ensure that the character of the area is retained. Tanks not located within a structure shall be completely screened from public roads.
  - c. Height. The height of a structure associated with a winery facility shall be limited to 35 feet. The height limit may be increased to 45 feet where a pitched roof of greater than four in 12 (rise to run) is proposed and at least 50 percent of the structure is limited to a height of 35 feet or less.
  - d. Lighting. Exterior lighting fixtures shall be of a low intensity, low glare design and shall be shielded with full cutoff design and directed downward to ensure that neither the lamp nor the related reflector interior surface is visible from a location off of the winery premises in order to prevent spill over onto adjacent lots under separate ownership. Pole lighting fixtures shall be used only for special events and seasonal agricultural activities. Exterior lighting shall not be installed or operated in a manner that would throw light, either reflected or directly, in an upward direction.
5. Parking.
- a. The number, size, location, and design of required parking spaces shall comply with the standards of Chapter 35.36 (Parking and Loading Standards) unless there is a conflict with the standards of this Section, in which case the standards of this Section shall apply.

- b. The visibility of parking areas associated with the winery from public roads shall be minimized through the use of landscaping and other devices.

County Land Use and Development Code Section 35.42.280 Wineries Page 4

- c. The number of parking spaces shall be permanently maintained on the winery premises. The review authority may modify the number of required spaces based on site-specific considerations. Oversize parking spaces to accommodate bus/limousine parking is only required for wineries that are open to the public.
  - d. Parking shall not be allowed within an adjoining road right-of-way or trail easement.
  - e. Parking areas shall be surfaced with a minimum of asphalt, concrete, brick, or other masonry paving units, chip seal, or crushed rock surface. Parking spaces on paved surfaces shall be marked with paint striping a minimum of two inches in width. Parking spaces on other types of surfaces shall be marked by the use of concrete wheel stop barriers, timber, or other durable material, that is securely installed and fastened to the parking surface. These standards shall not apply to temporary parking provided in open field areas for special events.
  - f. Parking for special events, group events, or winemaker dinners may be provided in open field areas with a slope of 10 percent or less, free of combustible materials, at a ratio of 400 square feet per required space (including parking space and traffic aisles).
6. Waste disposal.
- a. Solid waste disposal. A winery solid waste management plan shall be submitted for review and approval by the Public Health Department. The plan shall include a green waste reduction program that includes the disposal of stems, leaves, and skins of grapes by drying, spreading, and disking the waste into the soil on the winery premises or other agriculturally zoned property. Pomace may be used as fertilizer or as a soil amendment provided that the use or other disposal shall occur in compliance with applicable County standards.
  - b. Liquid waste disposal. Liquid waste (process wastewater) from the winery operation shall be handled separately from domestic liquid waste and shall be in compliance with applicable Regional Water Quality Control Board and County of Santa Barbara discharge requirements.
7. Tasting rooms.
- a. Tasting rooms shall be clearly incidental, accessory, and subordinate to the primary operation of the associated winery as a production facility.
  - b. The location of the tasting room shall take into consideration site constraints, onsite access, visual concerns, grading and other environmental issues.
  - c. The primary focus of the tasting room shall be the marketing and sale of the wine produced on the winery premises. Sales of souvenirs and clothing bearing the logo of the winery, as well as wine related items and other products that reflect or enhance the character or theme of the winery may also be offered for sale in the tasting room.
  - d. If more than one winemaker shares production facilities or more than one winery is located on a winery premises, only one tasting room is allowed. More than one winemaker or winery facility may share a tasting room.
8. Special events.
- a. Site area. The minimum winery premises area on which a special event shall occur is 20 acres. However, this requirement may be reduced by the review authority upon a determination that the character of the area and the type of special event makes a 20 acre winery premises site area unnecessary.
  - b. Use limitations.

- (1) Amplified music associated with special events shall not exceed 65 dBA at the exterior boundary of the winery premises. For wineries located in Inner-Rural Areas as designated on the Comprehensive Plan, a special event proposing outdoor amplified music shall only be allowed from 10 a.m. to 8 p.m. and the amplified music shall cease by 7 p.m. For wineries located within Rural Areas as designated on the Comprehensive Plan, a special event proposing outdoor amplified music shall only be allowed from 10 a.m. to 11 p.m., and the amplified music shall cease by 10 p.m. unless the Director determines that the sound at the property line shall not exceed 65 dBA.
- (2) The site of a special event shall be located a minimum of 1,000 feet from a residential one-family zone that has a minimum lot area requirement of one acre or less.
- (3) County Fire Department requirements shall be met.
- (4) Water supply and sanitation facilities shall be provided as required by the County Public Health Department.

c. Parking plan. A parking plan shall be implemented for special events. The plan shall include:

- (1) The use of a parking coordinator who shall be present at all times during special events attended by 100 or more persons to manage and direct vehicular movement and parking.
- (2) The use of dust control measures to keep dust generation to a minimum and to minimize the amount of dust leaving the site.
- (3) Appropriate signage placed onsite directing visitors to and indicating the location of parking areas, including open field overflow areas. Signs shall be in place before the commencement of each special event.

9. Hazardous Materials Business Plan. A Hazardous Materials Business Plan shall be reviewed and approved, or waiver granted, by the County Fire Department or fire district with jurisdiction in the event that storage, handling, or the use of hazardous materials occurs on the winery premises.

10. Noise. Noise-generating construction activities associated with winery structural development occurring within 1,600 feet of a noise-sensitive land use as defined in the County Noise Element shall be limited to the hours between 8 a.m. and 5 p.m., Monday through Friday, and shall not occur on State holidays. Non-noise generating construction activities (e.g., painting without the use of a compressor) are not subject to these restrictions.

E. Application requirements. The Director shall establish and maintain a list of information that shall accompany every application for a winery facility. The information shall be in addition to the information required in Section 35.82.110 (Land Use Permits) and Section 35.82.080 (Development Plans), as appropriate, and shall include, but shall not be limited to:

1. The range of activities occurring onsite directly related to wine production (e.g., crushing, fermentation, barrel aging, bottling, bottle storage) accompanied by a site plan that provides a description of where the different winery processes will occur on the site.
2. Production capacity, existing, and proposed.
3. The type of cooperage used in fermentation.
4. Origin of grapes used in the wine production (e.g., percent of grapes produced onsite, percent of grapes imported from off-site).
5. The area (existing and proposed) of structures, parking, roads, and driveways, uncovered processing areas, vineyard, and other planted areas.
6. A description of measures proposed to minimize the off-site effects of dust, odor, or noise generated by the proposed winery operation.

7. Information regarding proposed public tours and wine tasting, retail wine sales, other retail sales including food service, and picnic areas available to the public.

The Director may excuse an applicant from having to provide one or more of the required submittals if it is determined that in the specific case the information is not necessary in order to process or make an informed decision on the submittal application.

#### DEFINITIONS (from Section 35.110.020 - Definitions of Specialized Terms and Phrases)

Winery. The following terms are defined for the purposes of Section 35.42.280 (Wineries).

1. Tasting Room. A room or rooms, open to the general public, primarily used for the retail marketing of winery products. Merchandise offered for sale within the tasting room may also include souvenirs and clothing bearing the logo of the winery, as well as wine related items and other products that reflect or enhance the character or theme of the winery. A room or rooms where wine tasting occurs, where wine tasting is part of the normal business practice in the wholesale marketing of winery products and not open to the public is not considered a tasting room.
2. Winery. A bonded agricultural processing facility primarily used for the commercial processing of grapes or other fruit products to produce wine or similar spirits or the refermenting of still wine into sparkling wine. Processing consists of controlled fermentation combined with any of the following: crushing, blending, barrel aging, and bottling. Storage of case goods shall only occur in conjunction with processing. Retail sales and tasting of wine and retail sales of related promotional items may be allowed as part of the winery operation.
3. Winery Premises. A lot or group of contiguous lots that has an approved Development Plan, Conditional Use Permit, or Land Use Permit that allows for the development and operation of a winery. Lots shall be considered to be contiguous even if separated by roads, streets, utility easements, or railroad rights-of-way.
4. Winery Special Event. An event of less than one day and occurring on a winery premises attended by 80 or more people including concerts with or without amplified sound, such as weddings, and advertised events, fund raising events, winemaker dinners open to the general public, etc. Winery special events do not include wine industry-wide events (e.g., Vintner's Festival, Harvest Festival) including associated events held at individual wineries, the normal patronage of a tasting room, and private gatherings of the owner or employees where the general public does not attend.
5. Winery Structural Development. Anything constructed, erected, or placed with or without a foundation, the use of which requires location on the ground and is covered by a roof. The footprint area of uncovered storage tanks and wine caves is also included as winery structural development. Winery structural development is restricted to development associated with the winery operation and does not include residential development including employee housing, development that is solely accessory to vineyards, and other agricultural activities not directly associated with the winery.

# SANTA BARBARA COUNTY UNIFORM RULES FOR AGRICULTURAL PRESERVES AND FARMLAND SECURITY ZONES

## Agricultural Processing and Winery Provisions

### 2-2. SUPPORTIVE AGRICULTURAL USES

The purpose of this section is to establish standards for compatible uses within contracted land which permit the preparation for shipment and sale and limited processing of agricultural products.

#### 2-2.1. PREPARATION AND PROCESSING

##### A. Preparation Facilities.

The preparation for market of agricultural products in their raw state includes but is not limited to: sorting, grading, cleaning, packing, cooling and shipping, and is deemed compatible provided all the following are met:

1. The facility does not exceed 50% of the parcel or 30 acres, whichever is less, except the Board of Supervisors may allow a preparation facility to exceed 50% of the parcel if it finds that a substantial benefit to the agricultural community and the public can be demonstrated. However, in no case shall the facility exceed 30 acres. All such uses shall be confined to a single parcel (excepting the access road) within the premises and sited in a manner that minimizes, to the extent feasible, the land area taken out of agricultural production. Included within this site are roads serving these uses, all parking and storage areas, landscaping, loading areas, all attached and detached supportive structures and any other related improvements. Wastewater treatment systems are included within this site limitation if they take land out of agricultural production.
2. The acreage allowances identified above are maximums and will only be permitted upon a demonstrated need.
3. All such uses are subject to all zoning requirements, including a conditional use permit, when applicable, and its conditions and standards that are found necessary to maintain compatible agricultural land uses.
4. The parcel with the preparation facility has at least 50% of the parcel or 50 acres in commercial agricultural production, whichever is less, unless it can be demonstrated to the Agricultural Preserve Advisory Committee that it is unreasonable due to terrain, sensitive habitat and/or resources or other similar constraints. Where constraints are determined to exist, the Agricultural Preserve Advisory Committee will recommend the minimum productive acreage particular to the premises. Notwithstanding the commercial production eligibility requirements in Rule 1-2.3, the Board of Supervisors may establish different minimum production acreage requirements particular to the parcel and/or premises if the Board finds that a substantial benefit to the agricultural community and public can be demonstrated.

##### B. Processing of Wine Grapes.

Due to the unique qualities and desirability of processing premium table wines near the vineyard, wineries are deemed compatible within contracted land, provided that all of the following criteria are met:

1. A vineyard(s) has been planted on the parcel for which the winery is proposed prior to County approval of the winery; At least 51% of the winery case production shall be from grapes grown on the premises and/or from other contracted land under the same ownership in Santa Barbara County. At least 20% of the case production shall be from grapes grown on the parcel with the winery. Additional vineyard planting may be required on the premises to ensure compliance with the commercial production requirements in Rule 1-2.3;
2. For premises 500 acres or less, that such uses do not occupy land exceeding 10% of the premises or 5 acres, whichever is less.
3. Premises greater than 500 acres are permitted 1 additional acre for a winery site for each additional 100 acres above 500 under contract, not to exceed 20 acres. Included within this site are roads serving these

uses<sup>7</sup>, all parking and storage areas, landscaping, loading areas, all attached and detached supportive structures and any other related improvements. Wastewater treatment systems are included within this site limitation if they take land out of agricultural production. Winery support facilities, including wastewater facilities and tasting rooms, may be remotely sited from the winery as long as the total area occupied by these uses, when added to the winery development envelope, does not exceed the permitted envelope allowance as set forth in this section. All such uses shall be confined to a single parcel (excepting the access road) within the premises and sited in a manner that minimizes, to the extent feasible, the land area taken out of agricultural production.

4. The acreage allowances identified above are maximums and will only be permitted upon a demonstrated need to support the agricultural operation.
5. All such uses are subject to all zoning requirements, including a conditional use permit, when applicable, and its conditions and standards that are found necessary to maintain compatible agricultural land uses.

#### E. Facilities Visible from a State-designated Scenic Highway

Agricultural preparation and processing facilities visible from a State-designated scenic highway should be sited, screened, and designed to be compatible with the scenic and rural character of the area.

### **2-2.2. RETAIL SALES**

The sale of agricultural products permitted by this Uniform Rule is deemed compatible within contracted land providing:

- A. All retail sales shall comply with all applicable regulations within the County's zoning ordinances.
- B. All retail sales adhere to the compatibility guidelines set forth in section 2-1.
- C. Only one retail sales location is permitted on the premises.
- D. For wineries, a tasting room and retail sales are only allowed if associated with a winery on the parcel. If two or more wineries exist on the premises, they must share a single tasting room and retail sales area.





# CASE STUDY: WALLA WALLA COUNTY, WA

---

## 1.0 PROFILE OF THE WINE REGION

### 1.1 Geographic Setting

Walla Walla County is located in southeast Washington State along the Oregon border, approximately a 4-hour drive from Seattle, Portland, and Boise. The county covers about 1,300 square miles (832,000 acres), compared to 716 square miles (458,150 acres) for Yamhill County, Oregon. The percentage of the county's area by land cover is shown in the following table.

Land Cover	Percentage
Farm, Forestry and Resource Use	89.1%
Urban/Built Up	10.3%
Water/Other	0.6%

Source: Walla Walla County Comprehensive Plan.

### Demographics

The population of Walla Walla County as of 2010 was 58,571 with 71.8% living in cities and 28.2% living in unincorporated areas (1). Walla Walla County has four incorporated cities: College Place, Prescott, Waitsburg, and Walla Walla. Walla Walla is the cultural and economic hub of the county with a population of 31,731 (54.2% of the county's total population).<sup>259</sup>

### Geology and Hydrology

Walla Walla County is composed of a portion of the Columbia River basin bounded on the south and east by the Blue Mountains, on the north and northwest by the Touchet Highlands, and on the west by the Columbia and Snake Rivers. The majority of the county is part of the Walla Walla River basin, a tributary of the Columbia River. The Walla Walla River flows into the Columbia River near Wallula. Geologic folding and faults in the region formed the Walla Walla River basin.<sup>260</sup> The county is underlain by the Columbia River Basalt Group that was formed by successive lava flows during the Miocene Age (15-20 million years ago). The basalt is over 6,000 feet thick in some areas. Individual lava flows tend range between 50 and 150 feet thick. Gravel and clays overlie the basalt.<sup>261</sup>

The main waterways of Walla Walla County are the Snake River (forming the entire northern boundary of the county), the Columbia River, the Walla Walla River, Touchet River, Dry Creek, and Mill Creek. The mainstem of the Walla Walla River originates at the confluence of the north and south forks approximately 4 miles southeast of Milton Freewater, Oregon. The river flows through Milton Freewater and continues northward into Washington where it begins to flow westward toward its confluence with the Columbia River.

The eastern portion of the Walla Walla River basin lies in the Blue Mountains where streams flow down from steep rocky canyons to the basin floor below. The main, western portion of the basin is composed of valley plains and basalt canyons. Flows in the Walla Walla River vary dramatically depending on the season and location. Part of this variability is due to natural processes such as spring thaws and dry summers. Variability is also caused by the satisfaction of water rights. During much of the irrigation season consumptive water rights exceed the natural river flow in some areas, resulting in great stresses on ecological and hydrologic systems.<sup>262</sup>

---

259 US Census Bureau Quick Facts, <http://quickfacts.census.gov/qfd/states/53/53071.html>

260 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

261 Walla Walla Valley Wine Alliance. <http://wallawallawine.com/about/terroir/>

262 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

In addition to surface streams, the county is underlain by two subsurface aquifers, which supply approximately 60% of total water rights in the Walla Walla River basin. A deep basalt aquifer, covering approximately 2,500 square miles, lies beneath a smaller and shallower gravel aquifer, which covers approximately 190 square miles.<sup>263</sup>

Most soils in the county are composed of highly erodible loess and Missoula Flood outwash deposits. Loess is composed of wind-blown loamy deposits and Missoula Flood outwash is composed of deposits of gravel and cobbles. Loams are friable mixtures of sand, clay, silt, and organic matter, and are well suited to various types of irrigated or dryland agriculture. The loess soil deposits, known as the Palouse Formation, cover most of the county. The action of wind over many millennia eroded the bedrock into the characteristic gently rolling hills and deposited the loess throughout the region. River valley portions of the western area of the county are covered with the Touchet Beds. These are water-deposited soils composed of fine sands and silts with lenses of gravel. Lower river valley soils are often composed of recent alluvium deposits.<sup>264</sup>

## ***Climate***

Walla Walla County is an arid temperate region that experiences a variable climate largely dependent on elevation, which ranges from approximately 300 feet at the Columbia River to more than 4,500 feet in the Blue Mountains. The average rainfall for the county is 12.6 inches per year, though higher elevations experience upwards of 40 inches of annual rainfall. Lower elevations experience a fairly temperate winter, influenced by Pacific weather systems from the west, though colder arctic air masses from the north and east do contribute to lower temperatures at time. The city of Walla Walla experiences average January high temperatures around 40 degrees and lows around 30 degrees. Higher elevations are much colder and experience heavier snowfalls throughout the winter months. Summers are hot, with temperatures often exceeding 100 degrees in July and August. Walla Walla County has the longest growing season in Eastern Washington at 190-200 days.<sup>265</sup>

### ***1.2 History of the Wine Industry***

Wine grapes were first grown in the Walla Walla Valley at the time of European settlement in the 1840's. The outpost of Walla Walla was founded by the Hudson's Bay Company as a trading post in the 1840s.<sup>266</sup> French fur trappers settled in a small town outside the city and began planting grapes.<sup>267</sup> In the late 1850s, a settler named A.B. Roberts established the first nursery in Walla Walla, importing grape vines from Champoeg, Oregon.<sup>268</sup> As the city grew into a trading center, the wine grapes continued to grow as well. However, when the region was passed over by the railroads for a route that passed through the Spokane Valley, growth of the settlement slowed, as did the wine grape industry. A severe frost during the winter of 1883 nearly killed off many of the vines, and the passage of Prohibition in the early 20th century finished off any remaining aspect of the area as a wine region, at least for a time.<sup>269</sup>

The rebirth of the Walla Walla wine industry occurred in the 1970s when Leonetti Cellars was founded with 1-acre of Cabernet Sauvignon and Riesling. The winery gradually expanded and achieved worldwide recognition, as it became one of Washington's most sought-after wines.<sup>270</sup> At a time when the Walla Walla Valley's main crops were wheat and sweet onions, the area's winemaking pioneers began seeing great potential for grape growing in the Valley's soils and slopes.<sup>271</sup>

The founding of Woodward Canyon Winery in 1981 and L'Ecole No. 41 in 1983 added to the area's visibility in the wine world and the appellation was granted AVA status in 1984.<sup>272</sup> At that time there were only 60 acres of grapes growing in the county. The industry has grown rapidly in recent years. Today there are 140 licensed wineries in the Walla Walla Valley and 102 tasting rooms, with over 1,800 acres of vineyards planted, more than double the acreage and number of wineries than in 2001.

263 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

264 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

265 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

266 Walla Walla Valley Wine Alliance. Undated. History of Winemaking in Walla Walla

267 Walla Walla County. History of Walla Walla. <http://www.co.walla-walla.wa.us/history.shtml>

268 Walla Walla Valley Wine Alliance. Undated. History of Winemaking in Walla Walla

269 Walla Walla Valley Wine Alliance. Undated. History of Winemaking in Walla Walla

270 Walla Walla Valley Wine Alliance. Undated. History of Winemaking in Walla Walla

271 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

272 Washington State Wine. [http://www.washingtonwine.org/wine-101/regions/walla\\_walla\\_valley.php](http://www.washingtonwine.org/wine-101/regions/walla_walla_valley.php)

### 1.3 Wine Brands and Industry Collaboration

The primary Walla Walla AVA is the primary AVA representing the county. The Walla Walla AVA is a subarea within the much larger Columbia Basin AVA. Nearly all of the wineries within the county are located within the Walla Walla Valley AVA, which represents those vineyards and wineries within the Walla Walla River basin. A small portion of the Walla Walla AVA extends across the state line into Oregon. The wineries represented by the Columbia Valley AVA are located to the east of the county in the Tri-Cities area. The Walla Walla Valley AVA was established in 1984.<sup>273</sup>

The most widely planted wine grapes in Walla Walla County are Cabernet Sauvignon, comprising 41% of the wine grape crop, followed by Merlot at 26% and Syrah making up another 16%. Other less common varieties include Cabernet Franc, Sangiovese, and Chardonnay.<sup>274</sup>

The Walla Walla Valley Wine Alliance is the non-profit trade association in the Walla Walla AVA and has been representing the interests of the burgeoning wine industry since 2001. Membership stands at over 87 wineries and 28 vineyards, all located within the Walla Walla River Basin, five of which are located across the border in Oregon.<sup>275</sup> Despite the concentration of wineries and tasting rooms on the Washington side of the border, nearly 60% of the grapes from in the Walla Walla AVA are grown in Oregon.<sup>276</sup> There are a few vineyards and wineries located on the outskirts of the county that are not located within the Walla Walla Valley AVA and are not represented by the WWVWA, but fall within the larger Columbia Valley AVA.<sup>277</sup>

The WWVWA aims to build the regional brand and serves as a resource for those in the industry. The mission is to build brand equity as the leading resource for consumers, media, and trade for knowledge of, and access to the vineyards and wineries of the Walla Walla Valley. Since 2001, the WWVWA has represented the industry working with the Walla Walla Joint Community Development Agency (WWJCDA), the planning agency for both the City of Walla Walla and the County, in developing policies that are supportive of the industry but also preserves farmlands for more traditional agricultural uses, including cultivation of world-famous Walla Walla Sweet Onions.<sup>278</sup> The most recent update to the regulations for wineries was completed in 2008. The WWVWA worked with the WWJCDA to develop a more streamlined process for wineries in the region.<sup>279</sup>

The WWVWA sponsors several events throughout the year, including the Spring and Fall Release Weekends, the Holiday Barrel Tasting, and the Celebrate Walla Walla event, held each June.

In addition to the WWVWA, the Walla Walla Valley Winegrowers Sustainable Trust, known as Vinea, is a “voluntary group of winegrowers that have embraced a covenant with environmental, economic and social sustainability concurrent with their production of grapes and wine.” Vinea promotes sustainable viticulture in the region and represents 36 growers and 20 vintners.<sup>280</sup>

---

273 Washington State Wine. [http://www.washingtonwine.org/wine-101/regions/walla\\_walla\\_valley.php](http://www.washingtonwine.org/wine-101/regions/walla_walla_valley.php)

274 Washington State Wine. [http://www.washingtonwine.org/wine-101/regions/walla\\_walla\\_valley.php](http://www.washingtonwine.org/wine-101/regions/walla_walla_valley.php)

275 Walla Walla Valley Wine Alliance. <http://wallawallawine.com/join-the-wwwwa/about-the-wwwwa/>

276 Phone conversation 1/3/13 with Shontina Coers, WWVWA Director of Marketing

277 Washington State Wine. [http://www.washingtonwine.org/wine-101/regions/columbia\\_valley.php](http://www.washingtonwine.org/wine-101/regions/columbia_valley.php)

278 Phone conversation 1/3/13 with Shontina Coers, WWVWA Director of Marketing

279 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

280 Walla Walla Valley Vinea, <http://vineatrust.org/>

## 1.4 Characteristics of Wineries and Growers

### Walla Walla Wineries by Type

Type of Winery	Number	Percent of Total	Notes
Open to the public	85	61%	These wineries have regular hours that they are open to visitors, and no advance appointment is required to visit. Hours vary by winery.
Open by appointment	31	22%	These wineries are only open by appointment.
Closed to the public	37	26%	These wineries have no visitation.
Weddings	5	4%	These wineries offer tours but by appointment only.
Meeting space available	24	17%	These wineries offer meeting space for corporate and/or social functions.
Organic/Biodynamic	20	14%	These wineries practice sustainability in the winery and/or vineyard.

## 1.5 Geographic Distribution of Wineries and Wine-related Activities

Nearly all of the vineyards and wineries in Walla Walla County are clustered Hwy 12 and Hwy 125, the main roads leading into the city of Walla Walla, including several across the border in Oregon. There are also several smaller vineyards and wineries located along the Snake River to the east and around the community of Dayton, in the northwest portion of the county, though these wineries fall outside of the boundaries of the Walla Walla AVA.<sup>281</sup>

## 1.6 Commercial Activities Related to Wineries

Though the modern wine industry is relatively young in Walla Walla County (not counting the early vineyards and wineries of the 19th century), wine making and wine related tourism have grown rapidly in recent years. Over 70 wineries have opened in the past decade alone. Despite some friction between long time farmers and the growing wine industry over wineries and commercial uses in farm zones as the industry began to boom at the early part of the last decade<sup>282</sup>, the WWVWA has worked with the local farm bureau and agricultural groups to find collaborative solutions to any conflicts.<sup>283</sup> At this time, the industry appears poised for future growth, with support of local officials and communities.

Ancillary uses to wineries, such as tasting rooms and direct on-site sales are allowed in agricultural zones provided they are “clearly accessory” to local agricultural production.<sup>284</sup> Many wineries and tasting rooms include retail sales of items beyond wine; however these are limited to items that are related to the winery or wine in general.<sup>285</sup> Events are also allowed at wineries, though the number and size is limited by county zoning regulations and is dependent on the size of the winery<sup>286</sup> (see Section 2.3 below). Most wineries in the county are small, boutique wineries and do not have the space or facilities to host events. Meeting space is available for use by the public at 24 wineries and only three wineries offer space for weddings.<sup>287</sup>

281 Walla Walla Valley Wine Alliance. <http://wallawallawine.com/visit-us/map/>

282 Ashton, Linda. (2001, September 16). Battle brewing over Walla Walla wine. Los Angeles Times. <http://articles.latimes.com/2001/sep/16/local/me-46257>

283 Phone conversation 1/3/13 with Shontina Coers, WWVWA Director of Marketing

284 Walla Walla County. Walla Walla County Code. Chapter 17.22.070

285 Phone conversation 1/3/13 with Shontina Coers, WWVWA Director of Marketing

286 Walla Walla County. Walla Walla County Code. Chapter 17.22.040

287 Tourism Walla Walla. <http://www.wallawalla.org/vino-vino-vino/>

Though commercial and retail activities are allowed and do occur at wineries in Walla Walla County, including those located in rural areas, they are generally small-scale and therefore do not impact neighboring properties. This may be due to the fact that the industry is relatively young and is fairly isolated (four hours to the nearest major metropolitan areas). Neither county officials nor wine industry representatives report any major conflicts or cumulative impacts to surrounding areas.

## **2.0 LAND USE MANAGEMENT AND WINERY REGULATION**

### **2.1 *Land Use Management in Washington***

#### ***Comprehensive Plans and Zoning***

City and county governments in Washington are granted authority to manage local land use decisions and planning and are required to adopt comprehensive plans that meet the requirements and goals of the Growth Management Act (GMA).

#### ***Growth Management Act (GMA)***

The GMA was adopted by the Washington State legislature in 1990 to address concerns of sprawl and uncoordinated development in the state. The GMA represented a shift in planning for many rural areas, and requires local governments to adopt plans that addressed, at a minimum, land use, transportation, housing, utilities, economic development, parks and recreation, capital facilities, shorelines, and rural elements. The GMA also requires local governments to plan for a 20-year population forecast to be equitably and realistically distributed throughout the planning area and identify and adopt urban growth areas (UGA's) using land suitability and level of service standards as measures. Local jurisdictions are required to update comprehensive plans at least every seven years and are only allowed to amend plans once per year.<sup>288</sup>

#### ***SEPA***

Projects that may generate adverse environmental impacts must conduct an Environmental Impact Statement (EIS) for review by the Washington Department of Ecology, as required under the State Environmental Policy Act (SEPA). Enacted in 1971, SEPA provides the framework for agencies to consider the environmental consequences of a proposal before taking action. It also gives agencies the ability to condition or deny a proposal due to identified likely significant adverse impacts. Walla Walla County requires applicants to complete a SEPA checklist to determine if an EIS is called for.<sup>289</sup>

### **2.2 *Land Use Management in Walla Walla County***

Though Walla Walla County first adopted a comprehensive plan in 1964 and most of the county has been zoned since 1967, the passage of the GMA in 1990 and the requirements of that law represented a significant change in planning for the county.<sup>290</sup> New plans were adopted to address the planning goals of the GMA, with the most recent update adopted in 2007. The county comprehensive plan policies and map are implemented by the development code and zoning map. The 2007 comprehensive plan update included changes to the development code regulations for wineries. Working closely with the WWVWA and other industry representatives, the county created new regulations that are a streamlined version of the previous code.<sup>291</sup> The changes allow smaller wineries outright in most resource, commercial, and industrial zones.

As of 2010, the Walla Walla Joint Community Development Agency (WWJCDA) manages planning and community development activities in Walla Walla County and the City of Walla.

---

288 WAPA. A Livable Washington: APA's Action Agenda for Growth Management. November 2002

289 Washington State Department of Ecology. Focus: Washington State Environmental Policy Act. May 2002

290 Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

291 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

## 2.3 Land Use Provisions Governing Vineyards and Wineries

### Comprehensive Plan

The Walla Walla County Comprehensive Plan places a strong emphasis on the preservation of agricultural lands for future farming and ranching use. With nearly 98% of the county land lies outside of UGAs, and 89% of county lands in resource designations (farming, ranching, or mining), resource lands are critically important for the county.<sup>292</sup>

In explaining the importance of the agriculture industry in the county, the plan cites the economic value of that industry:

In 2002, the value of agricultural production in the County was valued at \$339,093,000, ranking the County fifth among all counties in the State. Walla Walla county agriculture is dominated by the production of grains, livestock, and forage crops and depends on this segment of agriculture for its economic base. The County is a dominant economic contributor, leading the State (number four of 39 counties) and nation (number 38 of 2,517 counties) in the production of wheat as of 2002.<sup>293</sup>

The plan also recognizes the importance of the wine sector and its impact on the local economy. Wine-related taxes and licensing fees alone generate \$12.5 million in revenue. Taxable sales of wine and vineyard products grew 56% between 2001 and 2006 or at an annual rate of 11%.

From vineyard development and grape cultivation to crushing grapes for premium wine production to sales and marketing, the wine and wine grape business affects numerous resources and has a County-wide economic impact. Aspects of the wine business that ripple throughout the region's economy include the distribution, retail, and export of wine. In addition to generating sales revenues and employing thousands of County residents, the wine industry stimulates economic growth through tourism, marketing and promotion, financial institutions, and in government tax revenues and license fees. At the current rate of vineyard development the wine industry will continue to grow and tourism will flourish.<sup>294</sup>

Despite the recognition of the importance of the wine industry in Walla Walla County, there are no policies specifically addressing that industry in the comprehensive plan, rather wineries and wine making fall under broader agriculture and economic development policies. Policy RL-44 states that farming, ranching and open space activities are the preferred uses on lands designated as agricultural and limits other uses. This policy also states that non-agricultural accessory uses, such as those related to winery operations, shall be limited through zoning standards. Policy RL-50 limits "natural resource support services or on-site enterprises" on agricultural lands, stating these uses should only be permitted through the conditional use permitting process if nuisance potential exists. Tourist related commercial activities are addressed in Policy RL-57, which states that these uses should be located in designated districts, primarily those zoned "rural activity centers," which generally correspond with existing rural communities.<sup>295</sup>

The economic development element of the plan also emphasizes the important role that agriculture plays in the county, including nontraditional agricultural enterprises. Goal ED-4 recognizes and supports "traditional agriculture and other natural resource-based industries, and also support developing nontraditional agricultural and resource-based businesses." A related policy (ED-7) aims to protect agricultural lands from encroachment by urban or incompatible uses while also encouraging "direct farm to market distribution and accessory retail enterprises."<sup>296</sup>

The goals and policies of the Walla Walla County comprehensive plan place a great deal of emphasis on traditional agricultural activities that have long dominated the economy of the county. Though wineries are not specifically called out, policies do exist that allow for nontraditional agricultural uses. Without being highly specific, the plan also allows for limited accessory commercial uses on resource lands, while attempting to confine most tourist-related commercial activities to existing rural communities. The county zoning code is the implementation tool for the policies of the plan; it is here that the specific regulations regarding wineries are spelled out.

<sup>292</sup> Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

<sup>293</sup> Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

<sup>294</sup> Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

<sup>295</sup> Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

<sup>296</sup> Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.

## Zoning Ordinance

Wineries in Walla Walla County must obtain a permit for operation and meet the development standards for wineries, found in the Walla Walla County Zoning Code, Chapter 17.22. This section defines the two types of wineries as defined by the code and addresses events, food service, and ancillary retail operations.

The code defines a winery as follows:

A winery is a facility specifically designed, at a minimum, for one or more of the following: crushing, fermentation, and barrel aging of wine. Facilities located on land zoned industrial, commercial, or airport development shall be considered wineries as long as such facilities comply with state licensing requirements for wineries. A winery may include any of the following: a tasting room, barrel rooms, bottling rooms, tank rooms, laboratories, and offices. Uses that are clearly incidental to the production of wine are allowed accessory uses to a winery. These may include, but are not limited to, the following: bottling, case goods storage, retail and/or wholesale sales of wine, employee day care, tours, ancillary retail sales, public display of art to wine related items, picnic areas, and food service. Food service is not to include restaurants, unless otherwise allowed in the zoning district.<sup>297</sup>

The definition allows for a wide range of ancillary uses in addition to the crushing, fermentation, and barrel aging of wine, provided they are clearly incidental to the wine production activities. The loose definition does allow some level of wiggle room for wineries. As long as the accessory use passes the “smell test,” wineries are granted leeway on uses accessory to the wine production. Enforcement is complaint drive; therefore, unless a complaint is lodged against a winery operator, there is no monitoring of applicants to ensure they are remain within compliance of the regulations.<sup>298</sup>

Wineries in the county are further defined based on the size of the operation and also whether the new winery applications are a permitted outright or must obtain a conditional use permit. As defined by the code, the two types of winery are:

**Winery, Type I.** On a legal lot of record, the total cumulative building area of structure or structures housing a winery must be less than twelve thousand square feet and be served by fewer than forty parking spaces.

**Winery, Type II.** Any winery on a legal lot of record exceeding the size requirements of a Type I winery, or that exceeds the number of events in Section 17.22.040(B), or that is located on a legal lot of record with another winery.<sup>299</sup>

Wineries are permitted on all lands zoned for resource use (agricultural or timber) as well as in commercial, industrial, and most rural zoning designations. Only residentially zoned lands are prohibited for winery use. Type I wineries are permitted outright in all of the above noted zones, with the exception of Rural Residential, which require a conditional use permit. All Type II wineries must go through the conditional use process to obtain a permit for operation. Prior to the 2007 code update, all winery applications were required to obtain a conditional use permit. This change was part of a larger effort by the WWVWA and the county to streamline the process for smaller wineries.<sup>300</sup>

## Events

Events, including industry related events and public events, are allowed on winery properties in resource zones. Events related to the winery operation, including WWVWA functions, industry events, wine club events, and regional promotional events are not limited in number or size but rather by occupancy and parking availability. Events not related to the winery operation, such as weddings, receptions, or meetings, are limited in size and number. Type I wineries are allowed three large events (250 person maximum) and 24 small events (75 person maximum)

297 Walla Walla County. Walla Walla County Code. Chapter 17.22.030.A

298 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

299 Walla Walla County. Walla Walla County Code. Chapter 17.22.030.B-C

300 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

annually. Type II wineries are not allowed a set amount of events per year, rather the size and frequency of events is determined during the conditional use permit review.<sup>301</sup>

At this time, only a handful of wineries regularly hold events. The vast majority of winery events in the county take place at these locations as most wineries in the county do not have facilities to host large events, nor do they have the capital to pay for them.<sup>302</sup> Since enforcement is complaint-based, the county does not monitor the frequency or size of events at those wineries that do regularly host events; however there have been few complaints or reports of conflicts made to the county enforcement officer and traffic generated by such events has not led to widespread congestion or overuse of the county road network.<sup>303</sup>

### ***Retail and Restaurant Facilities***

Ancillary retail sales are allowed at winery facilities on resource lands; however, sales must be “clearly accessory” to the primary use. The types of products allowed include promotional items, trademark items, regional value-added agricultural products, art, prepackaged food, or cheese.<sup>304</sup> The standard of “clearly accessory” is discretionary, and the county does not monitor retail sales, so it is up to the wineries to monitor themselves or risk an enforcement complaint. To date, there have not been complaints of wineries selling products that are not accessory to the primary use.<sup>305</sup>

Restaurants are not allowed at wineries unless the facility is located within a zone that would otherwise allow such a use. No interior area of the facility may be dedicated to food service and cooked-to-order meals are not allowed. Prepackaged food can be sold at wineries and food preparation related to events or winemakers dinners are allowed.<sup>306</sup>

Again, the county does not monitor food service at wineries and would only respond to a complaint that a winery was operating a restaurant or otherwise outside the bounds of the development code, a problem that has not yet arisen in Walla Walla County.<sup>307</sup>

## **3.0 OUTCOMES OF REGULATIONS**

Walla Walla’s wine industry is relatively young and operating on a smaller scale than many other wine regions, such as those in California or Oregon’s Willamette Valley. Though the number of vineyards and wineries has increased dramatically over the last 20 years, most are small, boutique wineries under 6,000 square feet.<sup>308</sup> Large events and commercial activities are largely limited to of the larger, older wineries. Downtown Walla Walla is home to a number of tasting rooms along with shops and fine dining options that meet the needs of many visitors and tourists seeking more than just a winery tour or onsite tasting.

As to the effectiveness of the regulations in place, Donovan feels that they are working well for everyone involved. The wine industry helped to craft the most recent winery development standards that allowed for a more streamlined permitting process and seem comfortable with the level of regulation. The industry has an image to uphold in the region, and that image is one of charming boutique wineries scattered across the valley; therefore regulations limiting the commercialization of areas outside of the city of Walla Walla are supported by the wine industry and the WWVWA. The WWJCDA has received few complaints of conflicts between wineries and adjacent property owners and reports no noticeable cumulative impacts of wineries in the county.

The county road network is operating well below capacity, retail and commercial uses at wineries is limited to a relatively few operations, and the overall resource land acreage dedicated to wineries and vineyards is less than 1% of the total resource land in the county. Outside of a few grumblings from longtime farmers involved in more traditional agricultural ventures, particularly as the industry began to boom in the early 2000’s, the more traditional

---

301 Walla Walla County. Walla Walla County Code. Chapter 17.22.040

302 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

303 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

304 Walla Walla County. Walla Walla County Code. Chapter 17.22.070

305 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

306 Walla Walla County. Walla Walla County Code. Chapter 17.22.060

307 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner

308 Phone Conversation 12/17/12 with Steve Donovan, WWJCDA Planner



agriculture industry has come to accept the wineries as a viable economic driver.<sup>309</sup> Nevertheless, Donovan notes that, as the industry continues to grow, the county and the wine industry itself will need to monitor the situation and adapt to changing conditions. For the time being, however, things seem to be working well.

#### 4.0 SOURCES

1. Ashton, Linda. (2001, September 16). Battle brewing over Walla Walla wine. Los Angeles Times. <http://articles.latimes.com/2001/sep/16/local/me-46257>
2. MFK Research LLC. Economic Impact of Washington Grapes and Wine. 2007
3. Stoel Rives LLP. The Law of Wine: A Guide to Business and Legal Issues in Washington. 2011.
4. Telephone conversation with Shontina Coers, WWVWA Director of Marketing, January 3, 2013.
5. Telephone conversation with Steve Donovan, WWJCDA Planner, December 17, 2012.
6. Tourism Walla Walla. <http://www.wallawalla.org/>
7. Walla Walla County. Walla Walla County Code. Chapter 17.22.
8. Walla Walla County. Walla Walla County Comprehensive Plan. December 2009.
9. Walla Walla Valley Vinea, <http://vineatrust.org/>
10. Walla Walla Valley Wine Alliance. <http://wallawallawine.com/about/terroir/>
11. WAPA. A Livable Washington: APA's Action Agenda for Growth Management. November 2002
12. Washington State Department of Ecology. Focus: Washington State Environmental Policy Act. May 2002
13. Washington State Wine. <http://www.washingtonwine.org/wine-101/regions/>

---

<sup>309</sup> Phone conversation 1/3/13 with Shontina Coers, WWVWA Director of Marketing

## APPENDIX A: WALLA WALLA COUNTY ZONING CODE: WINERIES

### CHAPTER 17.22 - DEVELOPMENT STANDARDS—WINERIES

#### 17.22.010 - Purpose.

#### 17.22.020 - Applicability.

#### 17.22.030 - Definition.

#### 17.22.040 - Events.

#### 17.22.050 - Access.

#### 17.22.060 - Food service.

#### 17.22.070 - Ancillary retail sales.

#### 17.22.080 - Permit application.

#### 17.22.010 - Purpose.

The regulations set out in this chapter set forth guidelines for winery development. (Ord. 364 § 3(part), 2008)

#### 17.22.020 - Applicability.

All wineries shall be governed by this chapter unless the standards of this chapter are more restrictive than a permit issued prior to the effective date of the ordinance codified in this chapter. In such case, the previously issued permit shall govern. (Ord. 364 § 3(part), 2008)

#### 17.22.030 - Definition.

- A. A winery is a facility specifically designed, at a minimum, for one or more of the following: crushing, fermentation, and barrel aging of wine. Facilities located on land zoned industrial, commercial, or airport development shall be considered wineries as long as such facilities comply with state licensing requirements for wineries. A winery may include any of the following: a tasting room, barrel rooms, bottling rooms, tank rooms, laboratories, and offices. Uses that are clearly incidental to the production of wine are allowed accessory uses to a winery. These may include, but are not limited to, the following: bottling, case goods storage, retail and/or wholesale sales of wine, employee day care, tours, ancillary retail sales, public display of art to wine related items, picnic areas, and food service. Food service is not to include restaurants, unless otherwise allowed in the zoning district.
- B. Winery, Type I. On a legal lot of record, the total cumulative building area of structure or structures housing a winery must be less than twelve thousand square feet and be served by fewer than forty parking spaces.
- C. Winery, Type II. Any winery on a legal lot of record exceeding the size requirements of a Type I winery, or that exceeds the number of events in Section 17.22.040(B), or that is located on a legal lot of record with another winery. (Ord. 364 § 3(part), 2008)

#### 17.22.040 - Events.

- A. For all wineries, Walla Walla Wine Alliance functions, trade-related functions, wine club events, winemaker dinners and regional promotional events such as Holiday Barrel Tasting Weekend, Spring Release Weekend, and Walla Walla Balloon Stampede Weekend are part of the normal operations of a winery, as is the daily traffic associated with a tasting room. Capacity is limited by building occupancy and parking limitations.
- B. Events not related to the operational and marketing aspects of the winery, such as weddings, receptions, and meetings/retreats, shall be limited to not more than three large (two hundred fifty guests maximum) and twenty-four small (seventy-five guests maximum) events per year per legal lot of record. Capacity is limited by building occupancy and parking limitations.

- C. For Type II wineries, the hearing examiner may place a limit on the number of or size of events allowed. This is to be based on findings of fact which specify the need to mitigate impacts via these limitations. (Ord. 364 § 3(part), 2008)

**17.22.050 - Access.**

The winery shall have adequate access from a public road or approved private road. Driveway access shall be twenty feet in width with an all-weather surface at a minimum, and constructed to current public works department standards. If the driveway access is connected to a paved public or private road, the driveway must be paved for a minimum distance of twenty feet from the edge of the connecting road. Wineries that share a private road must submit a road maintenance agreement at the time of permit application, signed by all legal property owners or their legal designee(s). Without the road maintenance agreement included as part of the application, the application will be determined as incomplete and will not be considered for approval until the agreement is submitted. All legal property owners must sign for the permit to be approved. Upon approval of the permit application, the road maintenance agreement will be legally recorded. (Ord. 364 § 3(part), 2008)

**17.22.060 - Food service.**

- A. Wineries will be allowed limited food services on-site. This food service is not to include restaurants, unless otherwise allowed in the zoning district, but may include the following:
1. Deli-service of prepackaged food;
  2. Winemaker dinners;
  3. Food service for events.
- B. The following criteria must be met unless otherwise allowed in the zoning district:
1. No interior seating will be dedicated solely to the purpose of meal service.
  2. No food will be cooked to order, although a list of prepackaged foods may be posted. (Ord. 364 § 3(part), 2008)

**17.22.070 - Ancillary retail sales.**

Ancillary retail sales must be clearly accessory to the primary use. These sales may include, but will not be limited to, items such as: trademark items, items which promote the region or the wine industry, other regional value-added agricultural products, art, prepackaged foods and cheese. (Ord. 364 § 3(part), 2008)

**17.22.080 - Permit application.**

A permit is required for all wineries. A permit may be revisited by the Walla Walla County community development department if any of the above activities are deemed outside of the scope, purpose and/or use of a winery. (Ord. 364 § 3(part), 2008)

# APPENDIX B: WALLA WALLA AVA MAP

