

Lenzi, Chelsea

From: Angela Slater <amsgrandmeadows@gmail.com>
Sent: Monday, October 31, 2016 12:45 PM
To: sbcob
Subject: Winery Ordinance - Slater
Attachments: WO.ltr.10.31.docx

October 31, 2016

Dear Chair Adam and Supervisors,

For over four years the County has worked diligently, seeking input from all sides of this issue culminating with meticulous effort by County Staff to into the current Winery Ordinance Update draft-which I commend. It is not perfect or ideal for everyone, but it is fair and well thought out for everyone and certainly streamlined to clarify specific wine operations.

SY is now well known for its quality wine varieties, with new AVA's that produce award winning competitive quality wine by SB vintners. There is no question the importance that the wine industry has made to the SY which myself and many SY residents enjoy along with the local vintners. But we must keep a careful balance that doesn't exploit the ambience that SY provides for all of us -not just the wine industry.

I quite am baffled why the SB Wine organizations are in such opposition to it. Why should one business sector demand less regulations than others? SY valley is not only comprised of Wine industry businesses, it caters to many. It is important and fair to consider everyone living here and the impact that a WO will have on the future of sustaining the beautiful ambience of SY Valley we all love and treasure. Residents have rights to...and none of us want to see a saturation of wine tasting rooms, which we have already seen what unregulated wine tasting rooms have done to Los Olivos - and is now growing in Solvang, SB/Funk zone and are raising serious questions about how many are enough? Do you think residents want to see more wine tasting rooms dotting every corner and road in SY? - again nobody wants a Napa environment here! This WO draft provides a very good compromise for all of us and should be commended, not opposed by the industry it is trying to help.

No doubt there is a lot at stake for all - and particularly for the future generations of SY. As a resident of SY, I am in the minority here at these meetings because most SY residents are not well informed with the impacts about to unfold - They have their own businesses and families/life to focus on and depend on elected officials to make responsible decisions on their behalf and the future of where they invested in for their homes/ranches. It takes of personal time to prepare statements like I am making - away from my own personal business/work to be here. I speak for many who are worried and scared for maintaining the unique rural, beauty that SY is famous for - let's not forget the very nature of our value also drives many types of tourism...not just wine tasting tourists.

I have lived on Ballard Canyon Road for over 20 years and another concern I have is that the County staff, making such impactful decisions, - don't live in SY - nor do a number of the wine industry opponents either. Maybe most have only traveled down BCR a handful of times??? And yet the negative impacts that additional wine tasting rooms would have,

particularly on BCR are huge – Sub-standard roads such as BCR, are very old, bad condition, narrow, windy with drop offs, no shoulders and steep blind curves – some places you can't have two vehicles even pass. Adding more tasting rooms/events/commercial business on BCR is just not a good plan due the obvious, common sense nature of this unsafe, sub-standard road.

As you know, BCR is used by many residents/tourist for walking, jogging, and literally 100's of cyclists descend on BCR, particularly on weekends.

It is my hope that this responsibility will weigh heavily on you as you adopt policies that will affect our families and future generations for years to come.

The proposed ordinance has its flaws, but it is a culmination of serious effort by Staff and the Commissioners to address the long-term development Winery/Tasting/Events while also protecting the quality of life for residents in rural areas – an important balance. We feel that the final draft mostly achieves this result with one exception. Throughout the course of all the hearings and community meetings, it was pointed out numerous times that caution must be used when considering the creation of more wineries and the resulting tasting rooms and events, particularly on substandard roads. Specific language to address these concerns were suggested to correct this. While Staff and the Commissioners acknowledged the problem and expressed agreement with the traffic issue, nothing has been done to protect residents of these roads from increased traffic and the higher risk resulting from an ever increasing flow of non-resident visitors to more tasting rooms and events.

This flaw in the current WO draft needs to be corrected now by the Board of Supervisor to take responsible action and implement common sense language into the ordinance. It is important to help future planners and commissioners with guidelines for mitigating the cumulative impact of additional wineries on substandard roads like Ballard Canyon Road ! BCR has a higher rate of accidents than the statewide average – even with flawed/incomplete traffic reports. The traffic reports on file are not seamless, there are omissions – as I noted on a recent CHP Traffic Report I just recently requested this month – they don't include the entire North/South length of BCR nor the major road funnel onto BCR, Chalk Hill.

Regardless of these traffic reports there are numerous wrecks every month, sometimes every week residents have all witnessed on BCR that go unreported. Do you think a driver under the influence is going to call CHP for help when they crash into a fence??? No, they call their friends and many times we residents have helped pull them out.

Re-read here:

Last point, we ALL strongly support agriculture, including wine grapes – and wine production - very much so and have no problem with winery facilities being developed on local Ag lands. It is the *non-agricultural commercial* activities of tourism at wine tasting rooms/events that are the problem for residents when they take place on dangerous roads where we drive with our families every day. For the most part, local wineries are good neighbors in the community as they provide *some* jobs, support local charities and

contribute taxes to the local governments. It has been suggested by some that complaints about loud noise and additional traffic resulting from wineries are unfounded and should be disregarded. This is an injustice to the long-term residents who have made their home here for years, many of whom have been here long before the rapid growth of winery development in recent years. The small ranches, farms and estates that have come to define the character of the Santa Ynez Valley are as much or more of a contributor to the tax base and the economy as the winery industry.

Again, it is our biggest concern for many Santa Ynez Valley residents of the *cumulative* impact on the region's quality of life when you saturate with of one type of business that impacts quality of life. The WO needs a "traffic management plan" for any wineries on known dangerous roads that meet specific criteria. This would be similar to the restrictions on tasting rooms and events for Tier A wineries.

Please do not let the interests of a relatively small group of landowners who produce wine overwhelm the majority of residents who have quietly paid our (substantial) property taxes and have also supported the community for years. While the wine industry likes to say that they are being opposed by a "vocal minority", it is the winery owners who are in the minority and it is the vast majority of Santa Ynez Valley landowners who are concerned that unregulated development of this industry in rural and inner rural areas will threaten the unique culture and character of the Valley in a way that cannot be reversed. As stated = we don't want to be a Napa - we want to remain what Santa Barbara County and the Santa Ynez Valley is known for - a special place where we raise our families and enjoy a quality of life that is one of the best in the world.

Sincerely,

Angela Slater
Ballard Canyon Road
Solvang

Lenzi, Chelsea

From: John Dragonette <johnd@dragonettecellars.com>
Sent: Monday, October 31, 2016 10:35 AM
To: SupervisorCarbajal; Wolf, Janet; Farr, Doreen; Adam, Peter; Lavagnino, Steve
Cc: sbcob
Subject: Comments Regarding Winery Ordinance
Attachments: Letter.October31.Supervisors.pdf

To the Board Of Supervisors of Santa Barbara County

Re: Revision of Winery Ordinance

The winery ordinance does not need to be changed. The wine industry is one of the principal sources of economic activity (and thus tax revenue) in Santa Barbara County, and it should not be hindered in this manner, particularly where the very few complaints against the industry are generated by a tiny number of very angry and unreasonable people. These are the same people that have filed repeated and/or meritless protests of every winery project application, including ones more than 20 miles from their own homes on completely remote lands (i.e. Peake Vineyard). These very few people should not be allowed to set public policy and to squelch economic development when the benefits of the wine industry far outweigh the minimal impacts to the community from wine tourism.

Indeed, the impacts on the community of wine tourism are very limited and occur almost exclusively on high season Saturdays for a couple hours. Anyone who actually lives here knows there is far more traffic on weekday afternoons going toward and through Solvang than could be generated by 50 adjacent tasting rooms. There has been no demonstration of significant adverse effects of the wine industry on the community, even in the deeply flawed EIR. It is simply mind boggling that the Board would make these drastic changes to the existing winery ordinance without having first identified an actual problem in need of solution.

The revised ordinance is harmful to the entire wine industry, but it is particularly harmful to small wineries. Smaller wineries (such as those pioneered by Richard Sanford, Bob Lindquist, Jim Clendenen and Rick Longoria (to name a few)), are responsible for putting Santa Barbara "on the map" and bringing hundreds of thousands of new wine tourists and billions of new tourist dollars to Santa Barbara County yearly. These small wineries are the very same "mom and pop" small businesses that are the economic engine of the County, the State and the Country, and all political parties and politicians claim to wish to support them. Yet here in Santa Barbara there seems to be opposition, not assistance. As has been explained elsewhere I am sure, small wineries need to have access to visitors and customers through tasting rooms. Direct sales to the consumer yield a far higher amount of revenue (and taxes) than do sales in distribution. And, these direct sales result in local employment. Tasting rooms thus are vital to small wineries, and they provide the economic ripple effect in terms of hotel, restaurant, shopping and other hospitality revenues.

The revisions to the wine ordinance are designed to and would hinder, limit, and indeed shutter tasting rooms. It is simply crazy to require such a large amount of land to allow for a small business to operate a tasting room. Tasting rooms do not generate huge amounts of traffic, noise or trouble. Most see a few, maybe a couple tens of customers on weekdays, and a few more than that on Saturdays.

Even, Los Olivos with the largest concentration of tasting rooms, is only busy until 5:00 at the latest on a Saturday, and after that is the same quiet little town it was before tasting rooms began flourishing there.

Opponents of wineries seem to assert that wine is not agriculture and that wineries should simply grow grapes and ship them off to some other place to be made into wine and sold. This absurd suggestion is simply medieval. Under this system, only the richest landowners could afford to plant grapes and they would do so in an industrial manner. It is akin to having Lords and Barons owning all this productive land and hiring serfs to perform all the labor, while all the profit goes to the landowners. We rejected this system, in favor of one where an enterprising businessperson can create a local business and operate it sustainably, generating enough profit to hire several employees, support his family in the community, and, yes, pay his taxes.

The Santa Barbara County wine region has rapidly become known worldwide for the quality of its wines, the beauty of its vineyards and the hospitality of its wineries. It is now considered one of the top locations for wine production and wine tourism in the world. The benefits to the people of this County are obvious; there will be increased economic growth, employment, and tax revenue, and these can be accomplished sustainably. The Board should not adopt these crippling revisions to the winery ordinance. It should support the wine industry, not allow a few people to do it harm.

Sincerely,

John Dragonette

Santa Ynez, CA

A PDF version of this comment is attached

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Sincerely,

A handwritten signature in cursive script, appearing to read "John Dragonette".

John Dragonette

Santa Ynez, CA

Lenzi, Chelsea

From: Katy Rogers <k.westgaard@gmail.com>
Sent: Monday, October 31, 2016 10:24 AM
To: Katy Rogers
Subject: Please Vote "NO" on Wine Ordinance Draft on Nov 1
Attachments: Rogers_NoOnWineOrdinance.docx

Dear Supervisors:

My name is Katy Rogers and I am the Director of DTC for the South Coast for Jackson Family Wines. **I was born and raised in Santa Barbara, went to Cal Poly, and have managed Direct-to-Consumer (DTC) sales for wineries since I was 21 (9+ years).** DTC is my favorite side of the wine industry as you get to sell wine through educating consumers. No mass markets, no "buy one, get one", just **creating a connection through our lands, brands, and people to create lifetime consumers of our agriculture products.** Unfortunately, the DTC portion of the business seems to be the largest pain point in this ordinance review process. As a result, **the current draft ordinance is considered the most restrictive ordinance for a wine growing region in not only California, but in North America.** If this passes, my husband, who manages the construction of local wineries, and I will need to relocate within the next 5 years to another wine growing region such as Willamette Valley, Oregon as we could both be out of work.

I strongly urge you to vote against the Draft Santa Barbara County Winery Ordinance as reviewed on Tuesday, November 1st. I cannot attend to speak in person due to jury duty, but I hope you'll consider this my loud voice in opposition of the current draft.

I can't support the draft winery ordinance as written due to its overly restrictive nature which is a result of one-sided conversations in crafting this ordinance. The goal of this million dollar project was to create an ordinance that streamlined or provided clarity to the winery permit process so that those wanting to build their dream business in Santa Barbara County could accomplish that efficiently and economically. **Due to lack of collaboration with the local industry,** the draft ordinance does not accomplish the mission and has instead created more barriers to entry for those wanting to create small to medium size businesses that would support our local economy.

Below are some of my concerns with the draft winery ordinance as written.

- CUP Process and Minimum Acreage Requirements for Tier A. Small producers (under 5,000 cases) rely on DTC sales as they cannot get carried by a distributor due to their small production. **Most small producers** make wine out of passion and for a way of life, not to

become millionaires. They cannot afford to buy and plant 10 acres in the *hope* they get a CUP to build a winery and tasting room. For all brands, Wine Club is their most profitable channel. The subscription based wine service is a way to guarantee income. **97% of wine club sign-ups are a result of the consumer visiting the vineyard, winery, and tasting room.**

- Need for diversity. The more restrictive our ordinance, more less wineries will want to come to Santa Barbara County. My Los Olivos tasting room has been **down 53% in traffic versus last year**, my Santa Maria property has been **down 8-10% year over year the past 3 years**. Much of this has to do with the growth of the Funk Zone. The Funk Zone, Buellton Commons, Lompoc Ghetto - these locations are going to get impacted with tasting rooms if this ordinance passes. It will be the only way to have a DTC business if you are a small to medium size brand.
- Minimum acreage is an arbitrary number. We need more wineries, not more vineyards. We currently ship out roughly 50% of our fruit because we don't have enough wineries/brands to absorb the fruit grown. Requiring that acreages be linked to the size of the wineries, using arbitrary numbers at that, means that **we will continue to flood the grape market vs. build solutions to absorb the fruit already grown.**
- Customer numbers, hours of operation, food - these are all categories that are already managed by the proper state or federal department and need no further restriction. The fire department tells us how many people we can have in the building. Alcohol Beverage Control states hours on our Type 2 license. Department of Health regulates food service. **All three of those departments have many more years and much more experience regulating our businesses and their assessment of what is safe for our locations should be final word.**
- **Events should be removed from the ordinance.** The issue of events depends on the winery's location. If you are out in Santa Maria with 700+ acres, having an event will not disturb anyone. If your winery is on smaller parcels within earshot of houses, you might need to be more considerate in your planning. However, we need to remember that those home owners purchased houses in AG zoned neighborhoods. Agriculture was there first and need to be protected. While there are some events that don't enhance the connection between consumer and vineyard, there are many events that do just that. Events should be handled on a case by case basis. **If events remain a part of the ordinance and get approved as is, there will be a serious drop in non-profit support due to more restrictive event regulations.**
- Financial Responsibility for Claims Against Wineries without Merit. Currently, there is no filing fee, repayment of incurred cost, or any repercussions should a civilian file a complaint against a winery that proves to be false or without merit. A winery could spend tens of thousands of dollars in lawyer fees defending their rights against a claim that somebody simply filed. **There needs to be required fact checking completed, solid facts submitted, a filing fee, and an agreement to pay part of incurred expenses on the winery's side should the claim be found unwarranted.**

The wine industry in California and around the world has changed considerably in the last five years. There has been a significant positive sales trend toward premium wines, like those crafted in Santa Barbara County. More people are traveling to wine regions to meet the winemakers and learn the history and culture of these unique places. For many wineries, the vast majority of their wine sales come from visitors coming directly to the winery, rather than purchasing the wines elsewhere. **The margins of DTC sales are 65-75% while the margins of selling wholesale are 50% or lower.**

Santa Barbara County wineries already face more land-use restrictions than our neighbors to the North in Sonoma, Monterey and San Luis Obispo Counties. We are at a competitive disadvantage in attracting wine country visitors and need the support of our County government to build successful and sustainable agriculture businesses here in Santa Barbara County.

The Santa Barbara County wine industry provides more than 9,000 full-time equivalent jobs, generates more than \$93,000,000 annually in local and state taxes, and contributes millions of dollars to Santa Barbara County-based charities. To keep the Santa Barbara County wine industry sustainable, we need land-use laws that help support our local, family-owned businesses.

I urge you to vote NO on the Draft Winery Ordinance as written.

Sincerely,

Katy Rogers

Director of DTC

k.westgaard@gmail.com

805-637-9442

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Sincerely,

Katy Rogers
Director of DTC for 5 Winery Properties
k.westgaard@gmail.com
805-637-9442

Lenzi, Chelsea

From: Wesley D. Hagen <whagen@thornhillcompanies.com>
Sent: Monday, October 31, 2016 9:48 AM
To: Lavagnino, Steve
Cc: sbcob; Morgen McLaughlin; Nicholas L Miller
Subject: Industry leaders urge a NO vote on the Winery Ordinance

Mr. Lavagnino:

I have been working for 23 years in Santa Barbara Wine and am very fearful how the Proposed Winery Ordinance will negatively impact the future of our County and our wine industry.

The wine industry:

- Is a leading provider of jobs and revenue to the County.
- Is hamstrung by regulations that cause **50% of the grapes we grow to be shipped to other regions**, losing many times their value (if they were processed/fermented/bottled/sold locally). By conservative estimates, **current County regulations cost the SBC Wine Industry \$300,000,000 annually**. These new regulations will be devastating to the present and future of Santa Barbara Wine.
- Has been poised to go 'big time' for 20 years, but because of an existing regulatory system that limits our ability to do business, welcome visitors on our vineyards and wineries, other local wine regions such as Temecula, Paso Robles, Edna Valley and others have captured our customers with a better experience and more ability to engage with the farms and the products they produce.

After serving as the engine for charitable giving and one of the only economic sectors poised for growth within a County struggling to emerge from a great time of economic tumult, I am stuck here at my desk this morning asking a fundamental question: What has the wine industry done to the County to be treated like the badly behaved children you are making us into?

- We voluntarily put our tasting room workers through Responsible Beverage Service classes.
- We show amazing restraint in pulling all the legal permits we need for every event, and evidence that we need further layers of bureaucracy is not supported by the non-existent history of serious infractions leveled at the wine industry.
- If our industry shows so much care and maturity in the way we comport ourselves, what is the purpose of spending so much money and County resources in producing a document that will cause new and existing businesses to flee the County and never come back?

The final summation: We have spent a million dollars to produce a document that will cause the loss of hundreds of millions of dollars of revenue and taxes, will slow job growth (especially for those graduating from Northern County high schools and colleges), WHERE'S THE WIN HERE? You may have been told that meetings/speakers at Winery Ordinance meetings have been overwhelmingly attended and supported by the wine industry, and that recent elections and chicanery have shown that those in strong opposition to the reasonable and sustainable growth of the SBC Wine Industry have less than marginal support. A full 90% of local respondents in a recent study said they support vineyards and wineries being able to host guests and sell their precious goods on premise.

90% winery support in the community and we are spending \$1,000,000 (so far) to lose a half-billion dollars a year.

And this is an honest question: WHY?

WHY aren't we excited to welcome paying guests to our County farms and vineyards?

WHY aren't we thrilled to capture every wine visitor onto expansive and spacious farms and an open, agricultural North County that County's own staff has found provides ample infrastructure to put the wine industry to work in a meaningful way?

WHY isn't local and State government HELPING us do business instead of spending precious monetary resources to GUARANTEE an ongoing economic collapse?

It's mind-numbing to me how mindful and brilliant those in our local wine industry prove to be, and how we are treated with such utter contempt by the local politicians we support and elect.

Please help. Vote NO on the Proposed Winery Ordinance.

Wes Hagen

Winemaker, Brand Ambassador, Raconteur

J. Wilkes Wines

The Thornhill Companies

“A Family of Winegrowers”

805-450-2324 (Cell/Voice/Text)

Like us on Facebook: J.Wilkes Wines

Twitter: @jwilkeswines

Instagram: J.Wilkes_Wines

Email: whagen@jwilkes.com

“Every wine deserves an hour at table, delicious food and two people in love. Wine cannot be fully understood unless all three of these conditions are met.” --WD Hagen

Notice of Confidentiality: The information contained in this electronic transmission, including any and all attachments, is intended only for review and use by the individual(s) to whom the transmission is addressed, and may contain privileged and confidential information. If the reader of this transmission is not the intended addressee, you are hereby notified that any review, dissemination, distribution or copying of this transmission, or any attachments, is strictly prohibited. If you receive this transmission in error, please immediately notify the sender by reply email and destroy any and all electronic and paper copies.

Lenzi, Chelsea

From: brandon - Dragonette Cellars <brandon@dragonettecellars.com>
Sent: Monday, October 31, 2016 1:12 PM
To: sbcob
Subject: Letter to Board of Supervisors RE Agenda Item 11.1.2016
Attachments: Brandon Sparks Gillis Letter to Board of Supervisors.docx

Dear County Clerk and Members of the Board,

As a local citizen and business owner, I strongly urge you to vote against the Draft Santa Barbara County Winery Ordinance as written on Tuesday, November 1st.

The proposed ordinance is flawed in many ways. It is overly restrictive in a number of areas, including visitor numbers, tasting room rules, and acreage requirements, and frankly under-restrictive in others. As currently written, it represents a huge step backwards, and would create a framework where only large scale, out of country, corporate wineries could afford to develop enterprises in the county. Is that really the goal?

The proposed ordinance ignores the reality of the Santa Barbara vineyard and wine culture. Santa Barbara County has quickly become known as one of the premier viticultural areas in the world. Our wines have received acclaim from the LA Times, New York Times, San Francisco Chronicle, Wine Advocate, Wine Spectator, Stephen Tanzer's Int'l Wine Cellar, Vinous Media, Jancis Robinson MW, and Jon Bonne (The New California Wine). One of the most important facts about Santa Barbara County wine is the diversity of grapes and wine styles that thrive in the region. This diversity means that many local wineries source grapes from a variety of vineyard locations throughout the county. The proposed ordinance does not factor this in to the minimum acreage requirements for a winery and/or winery and tasting room projects. Shouldn't the total acreage farmed by/for a winery apply towards the minimum required for a project? Why force the small winery to obtain an unnecessarily large plot of land in order to gain access to a project? Why favor larger operations?

The proposed ordinance misses the point when it comes to traffic concerns. Any local resident can attest that Solvang, Santa Ynez High School, and even various churches create far more troubling, and far more frequent, traffic problems than any tasting room (or group of tasting rooms). The traffic issues need to be studied in greater detail and need to reflect the reality of the Valley. Critics of the wineries often cite Napa as a theoretical worst case scenario for the future of the valley. It is important to look at Napa's successes and failures when considering our future. In attempt to limit traffic in Napa, the Winery Definition Ordinance restricted many small wineries from obtaining permits for tasting room or visitors. According to Napa Vintner Rudy Von Stasser, "those permits don't reduce traffic; they just funnel people into fewer places." Essentially, the legislation created a monster, increasing traffic on the prime arterials in the Valley. Let's make sure we don't make that same mistake here.

The proposed ordinance was initiated due to bullying by a small, yet vocal, minority of private interests, and those private interests (though minute in number or influence locally) seemed to have pushed their agenda into the primary force shaping ordinance policy. This is outrageous.

Additional public input appears to have been ignored, or at the very least dismissed by staff while they have pursued an agenda supported by an extreme minority of local citizens. I appreciate the hard work that County staff has put into the new ordinance, but it is clear that the majority of comments presented by local citizens along the way did not factor into the ordinance in any real, substantive way. It is incredibly frustrating to have taken time to attend the ordinance meetings, to write comments and to speak many times over the past several

years and to have my comments, along with thousands of others, simply ignored based on the content of the proposed ordinance.

I would like to invite you, along with other members of the Board, the Planning Commissioners, and county staff to visit our winery and tasting room operations. I believe that further research, in particular, real life visits, would shed light on the reality of our local businesses, the challenges we face, and the opportunities we have to create an ordinance that builds a better bridge between agriculture, wineries and tasting rooms, and the communities in which we live.

The majority of local residents who comprise the local vineyard and wine world want the County to retain its idyllic rural and agricultural charm, and actively support positive improvements in the environment such as sustainable/organic/biodynamic growing techniques, and agricultural preservation. Preventing economic opportunities, such as unfairly restricting visitors or tasting rooms, will greatly limit the ultimate preservation of the rural and agricultural lands in our beautiful county, and I don't think anyone wants that, do they?

Please reject the proposed ordinance.

Sincerely,

Brandon Sparks-Gillis
805.722.0226
Brandon@dragonettecellars.com

brandon sparks-gillis	
Dragonette Cellars	
Mobile: (805) 722-0226	
Mailing Address	Tasting Room
PO Box 1932	2445 Alamo Pintado Ave
Santa Ynez, CA 93460	Los Olivos, CA 93441

Lenzi, Chelsea

From: Michelle Sparks-Gillis <michelle@CoastalVineyardcare.com>
Sent: Monday, October 31, 2016 1:28 PM
To: Adam, Peter
Cc: sbcob
Subject: Vote No on Draft Winery Ordinance

10/31/16

Dear Members of the Board,

As a local citizen and an employee of a local vineyard management company, I strongly urge you to vote against the Draft Santa Barbara County Winery Ordinance as written on Tuesday, November 1st.

The proposed ordinance is flawed in many ways. It is overly restrictive in a number of areas, including visitor numbers, tasting room rules, and acreage requirements, and frankly under-restrictive in others. As currently written, it represents a huge step backwards, and would create a framework where only large scale, out of country, corporate wineries could afford to develop enterprises in the county. Is that really the goal?

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I would like to invite you, along with other members of the Board, the Planning Commissioners, and county staff to visit our winery and tasting room operations. I believe that further research, in particular, real life visits, would shed light on the reality of our local businesses, the challenges we face, and the opportunities we have to create an ordinance that builds a better bridge between agriculture, wineries and tasting rooms, and the communities in which we live.

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Please reject the proposed ordinance.

Sincerely,

Michelle Sparks-Gillis
Coastal Vineyard Care Associates

m > 805.245.2932

f < 805.688.1861

e > michelle@coastalvineyardcare.com

Lenzi, Chelsea

From: Lisa Bodrogi <lisa@cuvee.me>
Sent: Monday, October 31, 2016 1:52 PM
To: sbcob
Subject: Winery Ord Public Comment
Attachments: LtrtoBOSforNov1Hrg.docx

Please find my letter to the Board of Supervisors attached.

Lisa Bodrogi, Principal & Owner



Land Use Planning & Public Relations
PH: 805-937-8474 Cell: 805-260-2461
<http://cuveeconnections.net>
Referrals Are Always Welcome!



Santa Barbara County
Board of Supervisors
123 E. Anapamu Street
Santa Barbara, CA 93101

October 31, 2016

RE: Changes to the Winery Ordinance

Dear Chairman Adam and Members of the Board:

As a land use consultant and advocate for the Santa Barbara County Wine Industry since 1997, and the chair of the Winery Task Force Committee who developed the Existing Ordinance over a multiple-year collaborative process, it has been painful watching this re-write unfold and the hundreds of thousands of dollars of county resources being spent.

Since I have submitted many letters into the record during the Workshops and Planning Commission Hearings on the Ordinance Re-write, my comments contained in this letter will focus on the similarities and differences between the two ordinances and the policy implications should the proposed ordinance be adopted. Concluded with specific recommendations for the Board of Supervisor's consideration.

A. Similarities:

First, the similarities between the two ordinances include:

- A Tiered System 1, 2, 3 vs. A, B, C
- Meant to clean up ambiguities and inadequacies and reduce permit inefficiencies and uncertainties
- Development standards to address intensity of use and neighborhood compatibility
- Requirements for planted acreage (see further discussion below)
- Supports the core principle for the primary use to grow and process grapes

B. Key Differences:

Existing Ordinance

- Was heralded as a successful public-private collaboration with little controversy and

approved in One Public Hearing before the Planning Commission and Board of Supervisors each;

- Intends a case-by-case review of facilities dependent upon the merits of the project and surrounding neighborhood compatibility issues;
- Threshold-based, triggering a greater level of discretionary review based upon intensity of use;
- Intended to assist in the present and future growth of an economically sound and environmentally conscious wine industry.

Proposed Ordinance

- Has cost over \$1m with much controversy throughout the process and in the final result.
- Contains restrictions and limitations within each Tier rather than relying on discretionary review and site specific considerations;
- Parameter-based, presents directives for permissible activities and uses;
- Intended to define standards, develop parameters, and restrict winery growth.

C. Policy Implications:

- 1) **Sustainable Farming:** The Wine Industry has led the way in sustainable farming, education and outreach. Many public-private partnerships have been developed through organizations like the Central Coast Vineyard Team and the Wine Institute that are leading the way in sustainable farming practices.
- 2) **Agricultural Education:** What better way to connect people to farming than to invite visitors to experience and enjoy first-hand the fruit of the labor that goes into farming and making a fine wine? By narrowing the opportunities for people to get out and enjoy our rural environment, connecting with agricultural areas they are not accustomed to in big city surroundings, we are broadening the gap between urban and agriculture. This creates a larger disparity of appreciation for those who grow and produce our food and is counter-intuitive to the local food movement.
- 3) **Agri-Tourism:** The county's pursuit to limit winery growth puts further skids on growing an agri-tourism industry. Many communities throughout the State are realizing the benefits of inviting people out to local farms to get a first hand experience of where their food comes from and the effort it takes to grow our food. The whole concept of tasting before you buy

and knowing where your food comes from originated with the wine movement.

- 4) **Truth in Zoning:** People who live in rural residential, inner-rural, or on small lot agricultural properties should be aware that they are living in areas that allow agricultural activities. What is more consistent with a rural or agricultural zoning classification, a winery or a residence?
- 5) **Agricultural Economics:** The Economic Study of Agricultural Contributions noted that wineries account for 84.1% of total revenues and 85.3% of total employment of the \$938.5 million dollars in total outputs from locally-sourced, value-added food processing. The wine industry is clearly a major contributor to our local economy in creating jobs and revenues.
- 6) **Creating a Sustainable Future for the Next Generation:** What about the students pouring in to learn Enology and Viticulture at the new state-of-the-art winery facilities at Alan Hancock College? These same students have found jobs at our local wineries. Are we educating a future without making appropriate plans for their future? What about start up wineries and inspiring winemakers? Will they be forever destined to produce their wine in Lompoc from grapes grown in Santa Rita Hills to sell in their Los Olivos tasting room?

D. Recommendations:

1) **Remove minimum parcel size requirement:**

One of the greatest outcomes of the collaborative process between industry, regulators, and community members was the agreement to include requirements for planted acreage. Contrary to staff's presentation, the Existing Ordinance strategically crafts a sliding scale that requires planted acreage on the premises. Rather than including specific premise size requirements, the existing ordinance limits the amount of case production yield based upon the amount of grapes on the premises.

In order to qualify as a Tier 1 Winery, an owner had to have a minimum of 2 acres for every 1,000 cases of wine produced. This method was developed using the average of 300 cases of wine produced from an acre of grapes. The requirement for 2 acres per 1,000 cases yields a 60% ratio (2acres x 300cases =600 cases) of wine from onsite vineyards. It should be noted the Uniform Rules require the majority of grapes come from onsite vineyards. The county has consistently interpreted this rule to mean 51% of grapes grown on the premises. As such, the existing winery ordinance is more rigorous than the Uniform Rules at the Tier 1 level. The sliding scale in the existing ordinance was created to bring consistency with the Uniform Rules.

Since not all wineries are subject to the Uniform Rules and discretionary review is required for the second and third tier wineries, the percentage requirement for onsite grapes went down as the level of discretion increased. Whereby, 30% of grapes grown onsite is required to qualify

under Tier 2 (1 acre or 300 cases/1,000 cases produced) and 15% (150 cases/1,000 from onsite vineyards) for a Tier 3 winery. In every case, the existing ordinance has a requirement for onsite vineyards, whereby this was not so explicitly required previously.

The Board of Supervisors should remove the minimum parcel size of 20 acres and 40 acres and keep the production ratios in the existing ordinance (2 acres/1,000 cases Tier A; 1 acre/1,000 cases Tier B; and .5 acres/1,000 cases Tier C) for the following reasons:

- There has not been a fair argument to make changes to the existing ordinance in this category.
- Including a minimum parcel size may cause a larger degree of existing facilities to become non-conforming.
- Properties subject to the Uniform Rules should be held to a higher standard in order to qualify for the tax incentive.
- The issue of onsite vineyards and minimum parcel size was deliberated on in great detail by the Winery Task Force in coming up with the sliding scale in the existing ordinance.
- The sliding scale allows the necessary level of discretionary review to address neighborhood compatibility concerns while keeping a level of flexibility for the winery operator.
- There are presently more grapes than facilities that can process from Santa Barbara County requiring a greater amount of grapes from onsite sources only exacerbates this dilemma.
- Forcing a higher ratio and arbitrary large parcel sizes will squeeze out smaller producers and defeats the scalability intended by the existing ordinance for producers to grow into greater production levels.

2) **Remove limitation on number of visitors:**

One of the most egregious rules being brought forth in the proposed winery ordinance is to set a limitation on the number of visitors before a special event permit is required. The proposed ordinance sets a limit of 80 visitors allowed at the winery at any given time and reduces this limit to 50 visitors for parcels less than 40 acres without obtaining a Conditional Use Permit for a Special Event.

To restrict the number of visitors to a facility intended to invite guests is contrary to the planned use. Zoning Ordinances typically limit number of visitors through square footage limitations, seating, parking criteria, etc., but not through applying specific limitations on number of guests. Winery owners can spend millions of dollars to build a winery and tasting room. Isn't this good for our local economy, tax base, ability to provide revenues for social services? Why does the county want to dissuade investments into our local economy?

How would the residents complaining about winery activities like to be told they have to get a special event permit if they ever have more than 50 people at their home at any given time?

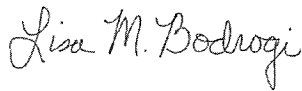
3) Remove special events from the winery ordinance:

Special events should be struck from the Winery Ordinance altogether, removing an unfair disadvantage on winery facilities. Many large landowners in remote areas of the county have appropriate locations to host events whether or not they operate a winery. Special event activities should be handled exclusive of wineries and on their own merits, as was proposed several years ago in the Good Neighbor Ordinance for Special Events.

Santa Barbara County's focus is on quality of life impacts to adjacent residential neighbors on agriculturally-zoned lands due to traffic and noise. What about the quality of life that comes from the creation of jobs, agricultural viability, recreation, visual and social benefits which wineries in Santa Barbara County's primary wine regions clearly contribute?

Please reject the major overhaul to the ordinance presented by staff and the Planning Commission and consider a few tweaks to the existing ordinance to address the needs of the wine industry, a welcomed and appreciated neighbor to many residents throughout the county.

Kind regards,



Lisa M. Bodrogi
Principal & Owner
Cuvée Connections

Lenzi, Chelsea

From: Rick Layman <cowboycolonel@wildblue.net>
Sent: Monday, October 31, 2016 1:50 PM
To: sbcob
Cc: Leighlee@wildblue.net
Subject: Winery Ordinance Comments for Supervisors

October 31, 2016

RE: Winery Ordinance Meeting November 1, 2016

Dear Chairman Adam and Supervisors,

We have been involved in the crafting and development of the Winery Ordinance for way too long – in excess of six years. Throughout that time we have seen the pendulum swing both directions – not always with progress in the offing. Now, as we finally reach a decision point, we note that many issues have been resolved, yet many seem to have been shelved – and have been throughout the many discussions and meetings held on the subject. Certainly this has been a long and frustrating ordeal for all involved, but I suppose that is to be expected when one attempts to craft a set of guidelines which will apply to all participants in all situations.

Despite the many requests from land owners and residents there has yet to appear any consideration at all for the potential cumulative impacts of winery development in the Valley. The realists among us will understand that once a precedent has been established, there will be nearly insurmountable difficulty in revising such a precedent.

Where I most concerned is the very contentious matter of the several bucolic roads that literally wind throughout the wine-producing areas of the Count. Ballard Canyon, Happy Canyon, and Santa Rosa are foremost of these.

Approving one winery – especially since there appears to be little if any distinction between a winery which exists to produce wines and one whose principal function seems to be holding events (of course to maximize profits through agro-tourism), simply encourages the establishment of another and yet another. Without a realistic assessment of cumulative impacts on roads and water usage, I am concerned that any Ordinance will be inadequate.

Soon tasting rooms and event venues will abound and our Valley will look like Napa – a wine tasters' Mecca, with way too much traffic and traffic that is not suited to the nature of our roads.

Having been involved in the discussions over the years, I must assure you that the wedding event coordinators, special event planners, and tasting room advocates – those who have little if anything at all to do with the production of wine, but have very much to do with defining the nature and character of our Valley, are out in force to assure that this Ordinance have as little impact as possible on the use of vineyards and winery properties.

Where once we pursued a goal of ensuring that the development of wineries was compatible with surrounding land use, it now appears that we demand that those surrounding the vineyards and wineries succumb to the desires and demands of the vintners.

I am afraid that once again we might have a set of rules which misses the mark on ensuring compatibility with neighbors, and instead opens the door to rampant and unrestricted development to suit a relative few.

Sincerely,

Richard L. Layman
1020 Ballard Canyon Road