Subject: Feedback on Proposed Micro-Winery Ordinance Revisions

Dear Planning Commissioners and PBES Staff,

Save the Family Farms is a coalition of owner-occupied grape growers in Napa Valley producing less than 5,000 gallons of wine annually. As such, we classify ourselves as *micro-producers* with a shared mission: *to preserve the viability of small family farms for future generations in Napa County.*

Our goal in supporting the Micro-Winery Ordinance (MWO) has always been to create a viable pathway for small producers to operate as a small business with the ability to access the direct-to-consumer channel. Unfortunately, the current ordinance—and the changes recently proposed by PBES—do not achieve this goal. Instead, the requirements remain cost-prohibitive and impose road standards and operational restrictions that do not align with the scale of micro-winery operations. We do not support any of the proposed MWO changes, however, in the spirit of collaboration we outline below our key concerns and suggested revisions and requests.

1. Vineyard and Estate Fruit Requirements

- The ordinance requires at least 75% of grapes used for fermentation to be grown on-site
 and on existing vineyards. While we support the principle of estate-grown fruit,
 requiring 75% of the approved production capacity is unrealistic. Vineyard yields
 fluctuate annually, and not all parcels are fully planted.
- On-site vineyards must be planted at the time of application submittal. And demonstrated to be capable of supporting 75 percent of the approved production capacity.
- No other Napa winery is held to this standard. The key issue is the requirement of
 existing vineyards. We respectfully request that existing vineyards capable of
 supporting 75% of the approved production capacity requirement be removed.

2. Marketing Events and Visitor Limits

- All traditional winery use permits (including modifications) use "number of visitors"
- The Small Winery and Micro-Winery Ordinance use "ADT's"
- The ordinance proposal to allow 40 ADTs or 20 average daily round trips (ADT), which
 equates to approximately 50 visitors at 2.5 (weekday) or 2.8 (weekend) occupants per
 vehicle.
- However, marketing events are limited to only 30 attendees? We recommend
 increasing this limit to 50 attendees to align with the ADT traffic assumptions already
 permitted.

3. Use Permit Modifications

- Subsection C use permit minor modifications bullets 1-7 are left over from the Small Winery Ordinance and they are not relevant to the Micro-Winery Ordinance or consistent with Subsection F - Micro-Winery use permit modifications.
- David Morrison used the Small Winery Ordinance as a use permit model to amend and add Micro-Winery specifics.
- We request Section C be removed or modified for clarification purposes.

4. Removing the 2-year waiting period after permit approval for any modifications

- H. Micro-wineries shall only be permitted within the Agricultural Preserve (AP) and Agricultural Watershed (AW) zones and shall comply with all other local ordinances, rules, and regulations associated with winery development and permitting under the Napa County Code and Title 18, and in compliance with state and federal laws
- We concur with this recommendation.

5. The 60/40 Rule

Micro-wineries typically rely on custom crush facilities averaging 10,000 square feet. We request including a new clause allowing micro-wineries to include their custom crush facility within their 60% co-production requirement calculation. This helps avoid duplicative and costly infrastructure investments.

Conclusion

The intent of the MWO was to provide small family farms with a realistic path to compliance and sustainability. However, staff's edits are about improving entitlements, which isn't what stakeholders prioritized, and actually makes attainment harder (i.e. having an existing vineyard capable of producing 75% of the proposed total production). The current and proposed MWO draft maintains barriers that do not exist for applicants going through the traditional use permit process undermining the purpose of the ordinance. Please see the following Winery Use Permit Comparison diagram.

We respectfully urge that the above revisions be considered to ensure the MWO truly supports small-scale, family-owned producers while maintaining the integrity of Napa Valley's agricultural preserve.

Thank you for your time and consideration. We look forward to continued dialogue on this important matter.

Sincerely,

George O'Meara CEO Save the Family Farms

Elise Nerlove VP Operations