

How 40 years of Agricultural Preservation Transformed Napa Valley

BY PAUL FRANSON

If Prohibition was society's worst social experiment, Napa Valley's Agricultural Preserve is one of its best. For more than a century, our country had set aside land for national parks, scenic byways, historic sites, cultural attractions and recreation areas, but never for agriculture. That changed in 1968 with the establishment of the Napa Valley Agricultural Preserve.

2008 marks the 40th anniversary of the act that protected much of Napa Valley for agriculture. You only need to look around the valley to recognize its success: the valley is lush with grapevines, not tract housing and shopping malls. It has maintained a rural character long lost by adjoining counties around San Francisco Bay.

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If the act hadn't succeeded, there's little doubt that Napa Valley would have gone the way of Santa Clara Valley, which was called the Valley of Heart's Delight for its orchards and vines long before it became a symbol for technology and urban

development. If Napa Valley hadn't been saved, a major divided highway would run through what are now some of the world's finest vineyards, and Yountville, St Helena and Calistoga would be a sea of housing development and their quaint downtowns would be bypassed and largely unused.

Instead, Napa Valley is America's premier wine destination, and its communities offer the lifestyle that both residents and visitors value so highly. The fact that Napa Valley wasn't lost is primarily due to the vision of vintners and growers of Napa Valley's wine community. That vision has led to great success, and the world-wide acclaim for Napa wines has helped support ever-heightened protection and leadership.

NAPA'S UNIQUE ENVIRONMENT

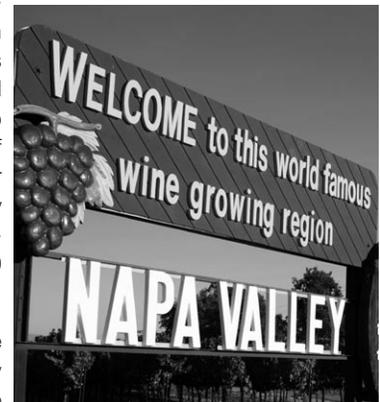
To understand why Napa Valley has maintained its unique character while much of coastal California has been overtaken by development, you have to start with its environment. Part of the answer is in Napa Valley's unique suitability for growing premium wine grapes. It boasts an incomparable combination of climate, geography and geology ideal for producing some of the world's best wines. The valley's natural beauty has captivated visitors to return time and again.

As one of the nine counties that front the San Francisco Bay, Napa County residents don't often consider themselves part of the Bay Area at all. Residents feel more on the fringe, but distance from the hub would not have kept the valley safe from development, as a drive through neighboring counties attests. As the Bay Area prospered in the years after World War II, progress inevitably spread. Though Prohibition had ended in 1933, there were only about 25 wineries in Napa Valley in the mid-1960s, and only a few small wineries had begun operation until Napa County's landowners and farmers could see development creeping toward them. The state of California talked of building a major highway through the valley while regional plan-

ners had considered placing the Bay Area's fourth major airport in the marshes south of Carneros, and the Army Corps of Engineers suggested turning the Napa River into a concrete channel like the once-flowing Los Angeles River. Projections envisioned 200,000 people in the city of Napa by 2000, half a million by 2020. Most people here think it's fine with today's 75,000.

Locals saw that rising land values would soon mean that property would be worth far more for development than for the nuts, fruit, dairy and cattle, grapes and other agricultural products then grown in the county. Grape growers were getting only \$300 a ton for Cabernet Sauvignon but the most widely planted grapes were Napa Gamay, Petite Sirah and other varieties that sold for even less. In 1968, the county had less than 12,000 acres planted to grapevines compared to about 45,000 acres planted today. That price per ton for Cabernet Sauvignon has risen to nearly \$4000 and the value of the grape crop from \$6 million to nearly half a billion dollars. From 25 or so wineries in 1968, today there are over 325 producing wineries, and nearly 400 brands.

L. Pierce Carson came to the valley as a cub reporter only a month or so before the original proposal for the Ag Preserve was formulated, and he wrote the article about it when it was passed in April of 1968. "It sounded reasonable to me," he says. "I couldn't understand why some people were so adamantly against it." He says that emotions ran high, and as written in the local headlines, long-time friendships dissolved.



"Dirt Farmers Rebel Against Ag. Pres."

St Helena Star, February 25, 1968

"Landowners Launch Heavy Attack On Ag. Preserves"

St Helena Star, February 22, 1968

"Agricultural Preserves: Why They Are Needed"

St Helena Star, January 11, 1968

"Agricultural Preserves Under Heavy Fire Here"

St Helena Star, January 4, 1968

Back in the '60s, many landowners felt that their only attractive economic course was to sell their land to developers, or develop it themselves, as had already occurred on prime farm land from San Diego to Redding. Others wanted to maintain the special environment that is Napa Valley—beautiful views, slow pace and enchanted lifestyle. They recognized that Napa Valley had unique properties for

growing fine wine grapes: people could live most anywhere, but rare few places allowed noble grapevines to flourish. Conservationists felt that the highest and best use of the fertile valley and foothills of the county was in growing grapes—not in homes and development. They also knew that it would take a strong legal change to preserve that environment.

Basing their argument on the Williamson Act that allowed lower valuation, and hence lower taxes on land kept in agriculture, they mounted a campaign to create an agricultural preserve. Opponents charged that the measure would destroy the value of their land, restricting it to the low \$2000 to \$4000 per acre of farmland, not the far higher amount that would be paid by developers. Carson notes that the county assessor, George Abate, kept telling people that land would be worth more in agriculture than in subdivisions, but many didn't believe him. Ironically, later as the county's viable vineyard property

As a result of the establishment of the Ag Preserve, agriculture remains the leading source of revenue in Napa County, unlike other Bay Area counties where farmland has largely been displaced by development.

approached its limit, land value skyrocketed. Scarcity combined with the mounting reputation of Napa's wines, and its attractive lifestyle, had created land prices 100 times what they were. It's unlikely that even the original supporters of the preserve could have anticipated such a benefit.

"A lot of people believed that Napa Valley was a good spot for agriculture, but I don't think anyone expected the rise we've seen," says Carson.

Thus in 1968, encouraged by a small group of vintners and growers, Napa enacted changes in its county code that implemented an agricultural preserve. This tough-won, forward-thinking act, the best-known part called the Napa Valley Agricultural Preserve (zoning AP) lies primarily between the towns of Napa and Calistoga. It originally protected 26,000 acres of the valley floor and foothills and has since grown to more than 38,000 acres. No land has ever been taken from the preserve.

Beyond the protection of the valley floor, the county also designated a huge area as Agriculture, Watershed and Open Space (AW zoning), which is also protected, and in some ways, even more so. Together, the two total 482,000 acres and represent 91 percent of the county's 505,859 acres.

According to the county general plan, the "...Agricultural Preserve classification is intended to be applied in the fertile valley and foothill areas of Napa County in which agriculture is and should continue to be the predominant land use...the Agricultural Watershed classification is intended for areas of the county where the predominant use is agriculturally oriented, where watershed areas, reservoirs and floodplain tributaries are located..." This latter designation covers most of the mountainous areas as well as developed and undeveloped farm and range land, forests and some very remote areas indeed. Only a fraction of Napa County is seen by most visitors. More than half of the county lies over the mountains to the east of the Vaca range and another large portion is contained in the Mayacamas range to the west.

In these areas, the minimum new lot size is 160 acres, but that's only the start of the obstacles to building the allowed single-family home

or winery, since intense environmental review must be passed to build or even plant vineyards in most cases.

AGRICULTURE RULES

Beyond county regulations, Napa landowners, many of whom are vintners and growers, formed the Land Trust of Napa County in 1976. They have placed their property in trust, some of which could have been used for vineyards, forever saving it from development. Now more than 50,000 acres of the county are in the Land Trust and will forever remain in agriculture or open space.

The success of establishing regulations to preserve Napa County for agriculture in 1968 led to further protection. In 1980, county voters adopted Measure A, which restricted growth via building permit limits, in the unincorporated areas of the county to 1 percent per year.



Again restating their approval of agricultural preservation, in 1990 voters approved Measure J which requires a two-thirds vote of the county's citizens to rezone any ag land. Only a handful of these rezoning attempts have passed, and all were very specific, such as allowing the sale of pumpkins and produce in a rural site and allowing a local restaurant to serve meals on its existing patio.

The resistance to rezoning attempts clearly reflected the residents' desire to maintain the integrity of the Ag Preserve. No one wants to let that camel's nose in the tent, fearing that its body would soon follow. Though seemingly innocuous, the challenges to the measures have historically been condemned as the first steps to weakening the protection and have been soundly defeated.

Another contentious point was defining what is a "winery." In other regions, wineries are sometimes considered to be in the entertainment and hospitality businesses as much as winemaking. Some offer extensive gift shops, restaurants, inns and wedding chapels, and derive much of their revenue from parties, wedding receptions, corporate dinners and non-wine retail sales. In Napa County, this issue was resolved with a hard-fought battle that ended in 1990 with the Winery Definition Ordinance that prohibited new wineries from engaging in ancillary activities like weddings, restaurants, inns and gift shops, and required all visitors to make appointments. Many

In an analysis of agricultural resources, approximately 45,000 acres, or about 9 percent of the county is planted to vineyards, with very limited opportunity for expansion.

have severe restrictions on the number of visitors allowed, some not even allowing the public to visit.

It seems as though 1990 was a watershed year for Napa County, for that year, the county also adopted a hillside erosion control ordinance. Also adopted were rules regarding setbacks from streams designed to protect the waters and wildlife. The stream setbacks were largely supported by the wine community even though the rules reduced plantable acreage in many vineyards.

Again in 1998, Napa County voters followed the wine community's lead and endorsed the common good by approving another measure, a project to control the periodic flooding of the Napa River in a forward-thinking plan that chose natural controls such as wide floodplains and acceptance of occasional flooding of certain areas instead of the all or nothing approach of fighting nature that has historically been favored by the Army Corps of Engineers.

In this effort as in the others noted, vintners and growers were strong supporters even though any of these measures could potentially affect their individual property rights.

THE AG PRESERVE AS A FOUNDATION FOR CONTINUING LEADERSHIP

Protecting the land is just one part of protecting Napa Valley. The success Napa has enjoyed by protecting its agricultural heritage, restricting development and focusing on its wines has encouraged Napa Valley Vintners to persist in their quest—and provided them with the resources to continue. The Napa Valley was the first recognized American Viticultural Area or appellation in California, and it remains by far the best known here and abroad.

"Napa" means quality, so much so that consumers understand the value and rely on the reputation for quality when a label reads "Napa," and outsiders have repeatedly tried to hijack the name. In 2000, a state law prohibited the selling of wines labeled "Napa" or its geographic subdivisions unless the wine contained at least 75 percent Napa grapes. This was contested by Bronco Wine Company, which had bought the Napa Ridge and other Napa place name brands and produced and marketed wines made from grapes from outside Napa, leading consumers to believe the products to be from the Napa Valley Appellation. The Napa Valley Vintners fought this practice all the way to the US Supreme Court and after a six-year court battle, Bronco lost. California state law SB25241 is now fully enacted requiring brands with a Napa place name on the label to contain at least 75 percent fruit from Napa County. Following Napa's lead, last year, Sonoma County requested and received similar legislation from the state.

Even the European Union has recognized Napa's renowned role, and granted Napa Valley status as a Geographic Indication in 2007. It was the first wine region outside a member state of the EU to receive this designation. Indeed, it's the first American product of any kind recognized with this status in Europe, and hence guaranteed protection from counterfeiting.

In the same way, Napa has also been a leader in protecting all wine appellations. It was a founding member in the Joint Declaration to Protect Wine Place and Origin signed by leading European and New World wine regions.

The quality of the wine, and the leadership of Napa's vintners, led them to create the first consumer charity wine auction in the United

States in 1981. Auction Napa Valley has given nearly \$78 million to local healthcare, affordable housing and youth services, and it's also been the inspiration for every other charity wine auction in the U.S. Napa Valley vintners have also donated wines and experiences that have helped make these other charities successful.

Napa Valley Vintners has also been at the forefront of wine education, including programs to teach consumers, educators, the media and the trade about the region's wine through programs like Master Napa Valley for advanced level MS and MW candidates, Napa Valley Wine Educators Academy for professional educators, Napa Valley Rocks for on- and off-premise trade and the Symposium for Professional Wine Writers for journalists. The NVV also supports the Rudd Center for Professional Wine Studies at the Culinary Institute of America in Napa Valley through part of the proceeds from Premiere Napa Valley.

Sustainable agriculture applies to a sustainable work force as well, and Napa County vintners and growers have been leaders in working conditions, pay, housing and opportunities for their workers. About 6,000 farm workers and 7,000 winery workers are employed by Napa's wine industry. Wages are higher than average in the Napa Valley, but housing costs are also higher, and Napa's leaders initiated a local, self-assessed tax whereby vineyard owners tax themselves nearly \$10 an acre to subsidize the valley's three farm worker housing centers for seasonal workers. This tax along with a very affordable daily rate for residents provides the funding for this work force's housing.

The NVV is setting the standard with green programs such as Napa Green Certified Land. This program, begun in 2003, looks at all aspects of a grower's property from vineyards to roads, buildings and non-farmed land to curtail erosion, reduce or eliminate pesticide use and adopt practices that will ultimately enhance the Napa River watershed and preserve or restore wildlife habitat through sustainable agriculture practices. Currently, 22,000 acres are enrolled in the program. Nearly 90 percent of the Napa River watershed is in private ownership and this public/private partnership is vital to the long term viability of the Napa Valley winegrowing community.

As a complement to Napa Green Certified Land, the NVV developed a companion program for winery production facilities. Napa Green Certified Winery extends Napa Green through the winemaking process into the winery. The program covers such issues as water and materials recycling and energy conservation to reduce the carbon footprint of wine production facilities. One example is the many Napa Valley wineries powered by the sun. A winery's solar power system can generate as much power as that



used by 20 to 30 homes, and will keep more than 7 million pounds of greenhouse gasses out of the atmosphere.

Napa Green Certified Land and Winery go beyond compliance, meeting or exceeding environmental regulations to help the businesses become more sustainable through economically viable, environmentally sensitive and socially equitable practices.

As Napa looks ahead, one major concern is potential changes in climate that could affect grape growing. Some climate models suggest Napa Valley might be heavily affected as global temperatures rise, therefore, the NVV created a Climate Study Task Force and hired two of the state's leading climate researchers from Scripps Institute and Stanford University to investigate the situation, project climate models specific to Napa Valley and help prepare tools for the future.

WHAT THE FUTURE HOLDS

Napa Valley continues to maintain its commitment to agriculture with leadership from the NVV. The county sets a very high priority on maintaining the agricultural preserve and its recent draft of a new general plan states clearly: "Napa County in 2030 will remain a world-famous grape growing and winemaking region, with a viable and sustainable agricultural industry. Under this General Plan, the amount of land designated for agriculture will increase, assuming no further annexations of county land by incorporated cities and towns. New non-agricultural development will continue to be focused in the incorporated cities and already developed areas." The report continues, "Policies supporting agriculture include the long-standing 'right to farm' which ensures that new residents and new users of

land understand they inhabit an agricultural area where the viability of agriculture comes first. These policies also define all the components of agriculture encompassed by the right to farm, and perpetuate the county's longstanding commitment to protections for agricultural land. "The Plan also establishes agriculture and rural residences as the principal users of ground water aquifers and calls for data collection and long-term monitoring to ensure adequate supplies remain in the future and states that vineyard development is expected to continue, and will become increasingly environmentally sensitive as business practices and conservation priorities converge. The Napa River will increasingly run clean and healthy, supporting native fish, plants, and animals and serving as an important part of the life of the county's people. The plan emphasizes, "Napa County in 2030 will retain its rural character and outstanding quality of life."

The Napa Valley Agricultural Preserve, established forty years ago did more than protect the land and make Napa Valley a desirable place to live and grow grapes. Long-time observer Carson believes the preserve has played a key role in helping create Napa's reputation as the top spot in the United States to make wine. "After it passed, growers could concentrate on what they do best, growing grapes, not fending off the tax collector or worrying whether their neighbors were going to sell out or develop their land."

The experiment was a complete success. Carson concludes, "It was the foundation for great winemaking in Napa Valley," and the foundation for other leadership efforts that followed.



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Napa Valley Vintners

Now in our seventh decade, the Napa Valley Vintners (NVV) non-profit trade association is the sole organization responsible for promoting and protecting the Napa Valley Appellation as a winegrowing region second to none in the world. Respect for our history reinforces our commitment to the preservation and enhancement of the Valley's land, wine, and community for future generations. We address the shared interests of our more than 300 member wineries and aspire to be the essential organization for all Napa Valley vintners. To learn more about our organization and our programs, visit www.napavintners.com.



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