

**From:** Colin MacPhail [themasphail@hotmail.com]

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**To:** Ken MacNab; Richard Spitler; Jack Gingles; Michael Dunsford; Karen Slusser; Gary Kraus; Chris Canning

December 6<sup>th</sup> 2012

Colin MacPhail  
1620 Grant Street  
Calistoga CA 94515

Dear Mayor Gingles, Vice-Mayor Dunsford and Councilmembers Slusser, Kraus and Canning,

As a resident of Calistoga, with its best interests at heart, I have some observations regarding the 'Grape Sourcing Regulations for Wineries and Winery Tasting Rooms' City of Calistoga Staff Report.

Clearly the City of Calistoga is intimately connected to and economically dependant on the rest of Napa Valley. Travelers in general do not wake up in New York and Chicago and decide to come just to the City of Calistoga. They come to visit Napa Valley because what the farmers grow - and what the vintners produce here - has made this destination desirable. Many, many hundreds of family run businesses large and small including, the vintners, the growers and thousands of employees of Napa Valley accept, and adhere to the WDO "75% rule." Wineries sourcing and making wine from at least 75% Napa Valley appellation fruit has long played a crucial role in preserving and elevating the quality of the whole Napa Valley economy and experience.

My first observation is that in line 7 of the Staff Report it states that requests have been received from "the agricultural community." The request to apply the Winery Definition Ordinance (WDO) 75% rule to the whole of Calistoga has been made by the agricultural community and by many others who are not directly in this industry but benefit from it like myself. Those of us who have stood before you on multiple occasions have always intended and asked the City of Calistoga to protect and encourage its vintners and growers, uphold the spirit and intent of the Calistoga AVA and cement its place in the broader Napa Valley community, by applying the '75% rule' to all zoning areas within Calistoga.

For those who wish to protect the integrity of Napa Valley agriculture and the wines we have all worked hard to make us famous for, this is a weak proposal. If this ordinance passes as described it essentially will allow many significant and high profile areas of Calistoga to become a back door for any producer who wishes to buy and vinify and promote fruit (often much cheaper) from anywhere. By coming to Calistoga they can take advantage of a high profile

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Napa Valley location and add value to their wine margin by carpet bagging on what vintners and growers have built up in this area for many decades. These wines will say 'produced and bottled in Calistoga' on the label but will potentially have no connection to our region or people at all. I believe this will do long term harm to Calistoga as a destination.

The ordinance would allow visitors who come to Napa Valley and expect the wines and wineries to reflect this area to be swamped with wines that have no connection to Calistoga or Napa Valley. It will render the potential good name and marketability of the Calistoga AVA meaningless.

It encourages new wineries to abandon the grape growers of Calistoga and the Napa Valley and source their fruit elsewhere. It dilutes the efforts of grape growers and vintners to elevate our wines in our area.

In many cases it will allow any out of state or overseas winery that makes even the smallest amount of wine in Napa Valley to then sell their out of state or overseas wines without restriction in their 'Winery' or 'Tasting Room.'

We will become the 'spit bucket' of Napa Valley – a mix of everything and nothing.

Finally if the fear of litigation for "potential legal issues" becomes the deciding factor in accepting this staff report 'as is' it will only be the beginning of our troubles. This course of action will undoubtedly encourage other large company's in unrelated industries such as fast food, coffee, pharmacies and food chains to challenge Calistoga's long held belief that these businesses were not part of our best interest - a City that wants to retain its character and the very reasons why so many come and visit.

T-Vine Cellars just received unanimous approval from the Calistoga Planning Commission for their new home at 810 Foothill Boulevard in our highly visible entry corridor and they have no issue with the 75% rule. One has to question the motives of those who do not find it reasonable.

Others may have more detailed observations but as a Calistogan and employee of the wine industry I ask the City of Calistoga to limit the production, tasting and sales of wines within this City to 75% Napa Valley appellation and 25% from elsewhere. This is not a hardship for any new business. It will elevate the status of Calistoga and its growers and vintners and will more than fairly allow any business to exist while vibrantly promoting and selling both Calistoga and Napa Valley wines in the place they were created.

Colin MacPhail

P.S. I appreciate and acknowledge the considerable effort that City of Calistoga Staff put into this

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report.