

November 12, 2015

Melinda Grosch
Planner III
Permit and Resource Management Department
County of Sonoma
2550 Ventura Ave.
Santa Rosa, Ca. 95403

Re PLP15-0067 (and PLP15-0011)

Dear Ms. Grosch,

The Valley of the Moon Alliance (VOTMA) has reviewed the circulated application for PLP15-0067 and provides its preliminary comments. VOTMA has not reviewed the project file at this point and would intend to provide further comments relating to studies, or the lack thereof, relating to this proposed application as appropriate. In addition, as discussed in more detail below, in view of the fact that PLP 15-0067 and PLP15-0011 (circulated March 25, 2015) are part of the same master plan, VOTMA requests that the two projects be consolidated for purposes of review, including for purposes of the required CEQA assessment.

VOTMA's comments on PLP15-0067 are at this point abbreviated and in summary form. Kenwood Vineyards (KV) has a storied 45 year history in the Sonoma Valley. It has been a good neighbor and a good steward of its lands in the Sonoma Valley. Over the last 15 years, after F Korb and Bros acquired KV it has remained a generous member of the Kenwood community and the surrounding Sonoma Valley.

In June 2014, KV was acquired by Pernod Richard USA (PRUSA). PRUSA's parent is Pernod Richard (PR) one of the worlds leaders in wines and spirits, holding a brand portfolio that includes Absolute Vodka, Chivas Regal, Glenlivet Scotch whiskies, Beefeater gin, Mumm champagnes among others. PR's acquisition of KV a year ago gave the French company its first vineyard of still wines in the US.

Now a year later, PR plan for KV is rolling out in pieces. In March of 2015 KV filed an application to obtain a use permit and other review to add an approximately 3,800 square feet tank building to an existing building, relocate existing receiving areas, complete a loop road around the facility, construct a new fire protection tank and fire pump and associated above ground and underground piping. The application indicated that *no change to the number of employees or level of visitation* was being proposed, and that no change to water use or sanitary wastewater was anticipated from the proposed improvements.

VOTMA reviewed the application and did not file comments. Although VOTMA was unsure of the level of actual production of the facility at the time in relationship to the permitted 500,000 cases annual production, PR's representation that it was

simply planning to return a portion of the white wine production to the KV facility (February 23, 2015 statement of “Production Improvements”) coupled with the representations on no increased water use as a result of the proposed “improvements,” led VOTMA not to comment on the application.

Now, seven months later, PR has rolled out the second phase of its master plan for transforming its new acquisition. Unlike the first piece, PLP15-0067 drops like a lead shoe. The probable impacts on the environment and on both Kenwood and the Sonoma Valley present precisely the types of issues the Winery Event Working Group is now wrestling with.

Although PR notes that “no increase in wine production is proposed with this application,” there is plenty of other activity proposed. PR proposes to keep its existing tasting room to “continue to be used for hospitality and winery operations.” It proposes to build a new 5,200 sf tasting room and retail sales building at a new site cut into the north-side hill. The south facing side will be “primarily glass” with a continuous outdoor tasting terrace wrapping the south and east perimeter of the building. As proposed there will be a new access drive and parking (and overflow) areas. There will be a new subsurface sanitary sewage treatment system for the new tasting room and retail sales building, and other buildings or facilities will be relocated or demolished.

It is clear that PR intends to bring its worldwide marketing perspective to the new KV. The new facilities will host a wide variety of marketing and other events. In its new public tasting room, its VIP tasting room, its outdoor tasting/events areas and its retail sales space a beehive of activity is planned. The “Kenwood Vineyards Marketing Plan (August 2015)” contemplates almost **70,000** annual visitors, not including the continued hospitality activities in the existing facility and not including “industry-wide promotional events.”

VOTMA will not take the time here to articulate the potential environmental impacts of PR’s proposal to transform the profile of KV, within the Sonoma Valley and worldwide. Virtually every item on the CEQA checklist is implicated by this proposal. VOTMA expects a full EIR will be necessary to pull out and appropriately assess those significant impacts.

Beyond the impacts of PLP15-0067, it is clear now that PRMD may not process PLP15-0011 and PLP15-0067 in isolation of each other. CEQA does not allow a “project” to be chopped into pieces to enable environmental considerations to be minimized by potential impact and thus ignore the cumulative impact of the entire project. CEQA requires that PR’s master plan be considered in one single environmental review, before any portion may proceed.

That PR has treated this as a single project seems evident. One needs to look no farther than the drawing and plans prepared by Summit Engineering Inc, on behalf of PR. Drawings ARD3 and 4 submitted by Summit in PLP15-0011 refer to the

Kenwood Vineyards "Master Plan." Both drawing indicate that they were produced by Summit under "Job No: 2014107. Similarly, drawings UP1 and UP2 submitted by Summit in PLP15-0067 both indicate that they were prepared under Job No. 2014107. Those latter drawings also show a footnote reference to the roadway and production building areas as " previously approved under separate planning permit PLP15-0011."

From that footnote reference VOTMA assumes that PLP15-0011 has been approved. That would be unfortunate if that were the case. If it has, VOTMA does not know if that work has been initiated or is still pending. That would be an important issue for PRMD to determine immediately. Whatever the case, any such approval would not excuse PR or PRMD from a full EIR that assesses the significant environmental impacts that application 0011 would have on 0067 and vice versa, and the impacts that the combined project will produce.

If PR did not provide sufficient information previously to allow PRMD to assess the overall impacts of the Master Plan that speaks badly for how PR intends to operate it's newest acquisition. If PRMD was aware of the sequence of PR's improvement and marketing plans it would be helpful to understand how such a piece-mealing approach to review occurred.

Thank you for the opportunity to provide comments.

Kathy Pons, President of the Board
Valley of the Moon Alliance