

THE VINEYARD VILLAGE PLAN

**AN ENVIRONMENTALIST
LANDOWNERS' PROPOSAL
FOR VINEYARD PRESERVATION
IN THE SOUTH LIVERMORE VALLEY**

**Stephen Kalthoff
Peter MacDonald
Peter Shutts**

EXECUTIVE SUMMARY

THE VINEYARD VILLAGE PLAN

WHAT IS THE VILLAGE PLAN

1. **Clustered Development.**
The Village Plan clusters houses and wine country commercial in five small villages. The villages are located on noncultivable parcels at the edges of the South Livermore Valley Study Area. Each village would have its own design theme, e.g., Old California, Mendocino Redwood, Victorian Village, etc.
2. **Vineyard Creation.**
The Village Plan provides the incentives necessary for landowners to create new vineyards. Landowners who dedicate conservation easements over new or existing vineyards would receive deeds to buildable parcels within the designated village sites.
3. **Wine Country Commercial.**
Villages with resort hotels, bed and breakfast inns, fine restaurants and craftshops would create a tourist market. These village settings would be very conducive to additional wineries. The additional wineries and the tourist market would provide the demand necessary so additional grapes from the new vineyards could be sold.
4. **Non-Automobile Alternative.**
The villages would be joined to each other and to Livermore by a busway/bikeway with buses on convenient ten to fifteen minute headways.

See map after page 6

WHY THE VILLAGE PLAN IS THE ENVIRONMENTALLY SUPERIOR ALTERNATIVE

1. **Permanent Open Space.**
The Village Plan builds permanent working vineyards and open space irrevocably into the Valley's land use pattern. This is better than agricultural zoning schemes which succeed only in a temporary delay of development followed eventually by 100% urbanization of the valley floor.
2. **Responsible Housing Policy.**
The villages (with housing clustered at least four units per acre on average) would provide a setting for middleclass housing. The conventional compromise between pro-growthers and slow-growthers purports to minimize environmental impacts with large lot development. Monstrous lots of 20,000 square feet to five acres in size close off the remaining open spaces with fences and "keepout" signs. This large lot

pattern destroys the maximum amount of land for the benefit of a tiny number of people -- and pushes middle income housing to other valleys where that displaced demand accelerates the destruction of even more working farmland.

3. Convenient Transportation.

A simple non-automobile lifestyle is now impossible given the land use pattern in the Tri-Valley. Those who rationalize the wasteful and expensive automobile lifestyle claim that "People love their cars." In fact, what people really love is convenience. The vineyard bus loop would give better convenience than cars for most neighborhood trips.

The victims of the suburban land use pattern would be liberated: The elderly, children and young adults would have an alternative to the car. And suburban housewives would be freed from their relentless taxi service duties between school, soccer practice, orthodontist and so on.

4. Peace Amongst Us.

With adoption of a buildout vision acceptable to all reasonable parties, then future proposals (and elections) are no longer a threat to the environment or property rights.

WHY THE DEED FOR DEED DEVELOPMENT RIGHTS SYSTEM WORKS

1. No Middleman's Cut.

Landowners (rather than developer/speculator) get the economic benefit of land use approval.

2. No Bond Issue.

The key infrastructure (such as the wine country museum) could be funded by the development whereas a bond issue would risk failing to get 2/3 voter approval from the rest of the country.

3. Land Appreciation.

The owner of a buildable parcel in the village would have a great choice: Sell now at going land prices or hold back from selling his parcel if he believes that village land values will appreciate in the future.

WHAT THE "DEED FOR DEED" DEVELOPMENT RIGHTS SYSTEM WOULD PROVIDE

- 1. One Unit per acre of existing vineyard dedicated to conservation easement. (Units to be located in villages at average densities of four units per acre.)**
- 2. One Unit per acre of land contributed to become village lands. (Units to be located in villages at average densities of four units per acre.)**
- 3. One Unit per ten (10) acres of conservation easement dedicated over open space and grazing lands. (Units to be located in villages at average densities of four units per acre.)**
- 4. Approximately 4,500 dwelling units in villages (plus 500 dwelling unit equivalents of commercial space).**
- 5. \$100,000,000 for infrastructure (i.e., \$20,000 per dwelling unit equivalent). Potential uses for infrastructure revenues: collector roads, water, sewer treatment plant, wine country museum, equestrian trails, bike paths, planning costs, irrigation waterlines.**

TABLE OF CONTENTS

	Page
Letter by Stephen A. Kalthoff: The Need for An Alternate Proposal	1
I. The Vineyard Loop	3
II. The Villages	7
III. The Right to Develop	10
IV. Approval Scenario	12
V. Legal Arrangements	13
Appendices	
A. Viticulture Policy Statement by Phil Wente, June 6, 1988	16
B. Letter of Chief Seattle	17
C. Issues and Answers	18
D. Cost of Construction of Vineyard Loop	21
E. Cost of Operation of Busway	22
F. Calculation of Permitted Units and Required Acreage	24
G. About the Authors	25

**STEPHEN A. KALTHOFF
1100 VALLECITOS ROAD
LIVERMORE, CALIFORNIA 94550**

June 27, 1989

**Steering Committee, South Livermore Valley Committee
c/o Alameda County Planning Department
399 Elmhurst Street
Hayward, CA 94544**

Subject: The Need for an Alternate Proposal

Dear Members of the Steering Committee:

As landowners and participants in the South Livermore Valley Study, my wife and I have decided to propose an alternate plan for the vineyard region. We are not rejecting the preservationist goals of The Livingston Plan or the CAC recommendations. In fact we ourselves would prefer most of the land to remain in grapes. However, we feel that our proposal, which we call the Vineyard Village Plan, is a more realistic way to guarantee vineyard preservation than any of the existing alternatives for the following reasons:

1. The Vineyard Village Plan assures that landowners who leave their lands in grape production will be justly rewarded for their contribution to vineyard preservation.

In contrast, the latest June 1989 draft County Plan gives the landowners the constitutional minimum (and less) of development credits. In short, it is an attempted larceny, and will be recognized as such by landowners. This approach of minimizing development credits will fail because the parcels on the urban fringe will withhold their participation, refuse to sell off their so called "development credits" and will hold out for future urban development. Parcels at the furthest distance from the urban fringe may sell off their development credits if they have no foreseeable chance to develop anyway. The result will be no permanent assurance of vineyard preservation along the urban fringe and many more years of political battles over vineyard development until there are no vineyards left to preserve.

2. The Vineyard Loop Plan is an actual site plan which establishes an attractive vision of what the fertile crescent could be like at

buildout.

We are frustrated by the draft County Plan because it is not a physical site plan at all but rather a series of rationalizations as to why the current roads and land uses shouldn't be changed.

3. Without additional wineries and wine country activities vineyards will continue to be economically marginal and vineyard area will continue to shrink.

With additional wineries and wine country commercial we can create the market to support successful and expanding vineyards. (Please read the Viticulture Policy Statement by Phil Wentz for a well reasoned description of this problem). It is just and fair that the Vineyard Village Plan directs some of the economic benefits of wine country commercial development to the landowners who dedicate their lands to vineyard uses.

4. The environmental impacts of the Vineyard Loop are virtually nonexistent.

It is simplistic but true to say that people don't cause traffic jams; cars cause traffic jams. On the 30 foot wide busway that is the key to our proposed transportation system for the vineyard area, daily volume would have to reach the astronomical level of 194,400 people per day before any lane expansion would be necessary. That daily volume will never be reached until Signature Properties brings the U.S. Open to Ruby Hills.

Conclusion

I would like to give credit to my planner and lawyer, Peter MacDonald who developed this concept and drafted this plan in a very narrow time frame. He was assisted in the graphics and site design by Peter Shutts, a Pleasanton architect.

This is a serious proposal and we are requesting that, after appropriate analysis, you recommend approval of The Vineyard Village Plan by the Board of Supervisors.

Sincerely,

/s/ Stephen Kalthoff

Stephen A. Kalthoff

CHAPTER I.

THE VINEYARD LOOP

We are proposing a better way to preserve open spaces and a better way to build places for people to live. The results could be far nicer than the Napa Valley - wine country ambience without the traffic congestion of Napa Valley.

Goals

The Vineyard Village Plan can achieve the goals of both environmentalists and landowners:

1. Permanent preservation and expansion of the vineyards.
2. A fair return to landholders who set aside their land for agriculture and open space.

The Busway

The key innovation is to feature the Livermore wine country with an approximately sixteen mile country lane joining five wine country villages and assorted wineries together with downtown Livermore. We call this the Vineyard Loop. The Vineyard Loop would serve as a busway with buses sweeping by regularly in both directions on ten to fifteen minute headways. At buildout, the operating cost to maintain fifteen minute headways for buses in each direction is projected to be only about \$500.00 per year for each dwelling unit (or its commercial equivalent).

The Bikeways

The bus loop could be designed with five foot bike paths on each side. Most bicyclists have dreamed of (but never experienced) a country lane with no more traffic going by than one bus every ten or fifteen minutes. It would also be feasible to create bicycle paths separate from the Vineyard Loop which provide short cuts to town, flatter alternative routes for the weekend bicyclist and cross connections to other segments of the Loop through vineyards and parks.

Vehicle Limitations

Automobile traffic on the wine country loop would be quite limited. For example, families that live in villages along the route would, at most, have access to only that segment of the loop necessary to reach their home villages. More likely, there would be a separate automobile street providing vehicle access to the neighborhood. Tourists would park once at the visitor center (or at their hotel) and from that point take an enchanting bus ride through the scenic Livermore wine country.

Scenic Route

The Vineyard Loop is designed to emphasize the size and variety of the fertile crescent with alternating vistas from the surrounding ridges and ground level passes through the vineyards. In many locations, vineyards would lap up against one side of the loop while a village would beckon from the other side. The villages would have wineries, restaurants, shops and inns for tourists to visit.

Nonautomobile Lifestyle

In addition, there would be a substantial number of residences at a fairly high average density tucked away in each village. (The Signature Property with its championship golf course would have a substantially lower density). For residents of the Vineyard Villages, the option of a convenient nonautomobile lifestyle would be available for the first time ever in an open space setting. The Vineyard Loop pathway through The City of Livermore means that libraries, schools, shops, hospital, playing fields and so on could all be reached without use of a car.

Downtown Revitalization

Conversely, the Vineyard Loop would provide a significant increase in the customer base to downtown Livermore. Both village residents and tourists would take the nonautomobile alternative to downtown Livermore. Moreover, investors looking for sites for restaurants, bed and breakfast inns and other tourist destinations would add attractive wine country settings to downtown Livermore.

Cost

Initial construction of the Vineyard Loop would cost approximately ten million dollars (not including water and sewer lines). This initial construction cost could be paid for through a county bond issue and paid back in full by a surcharge of approximately \$2,000 per unit on building permit fees in the wine country villages (much like the Traffic Improvement Fees in the City of Livermore).

Conservation Easements

In order to obtain land within the villages, landowners would have to grant permanent conservation easements over vineyards and open spaces. The reward to the landowner is intended to be generous (see Chapter III for further discussion). Village sites could be obtained by granting density incentives to the contributing landowners. If necessary, a key portion of a village site could be purchased or condemned using the proceeds of the County bond issue.

The Draft County Plan Compared

Comparison between the Vineyard Loop proposal and the proposed draft County Plan is inevitable so a positive word needs to be said about the remarkable technical knowledge of Dr. Lawrence Livingston. Within the framework of the conventional planning assumptions given to them, Livingston and Associates did a very thorough plan.

The flaw in the draft County Plan lies with its premise. The Plan assumes that building development and vineyard preservation should be viewed as a zero sum game: That each increment of building development represents an equal increment of reduction in the vineyards. Viewed from those assumptions, the planner's job disintegrates into an exercise in minimizing total development.

We are proposing that vineyard preservation can be viewed as a positive sum game: That with appropriate economic incentives private sector development can finance a vast expansion of permanent vineyard area within the fertile crescent (and also create the wine country ambience necessary to support those additional vineyards and wineries).

The draft County Plan also incorporates the assumption that each increment of building development generates an unavoidable negative environmental impact. Naturally, the primary environmental impact of new development is always increased automobile traffic.

Here again our assumptions differ. We are proposing a nonautomobile transportation system which would drastically reduce automobile usage, particularly by tourists. In other words, the Vineyard Loop Plan drastically reduces the adverse environmental impacts attributable to each increment of building development by providing a convenient and preemptive alternative to automobile dependency.

Open to Improvement

We are proposing a setting which is neither country nor city but a harmonious blend of country and city. Our country village proposal satisfies the command of Chief Seattle that the land be preserved and the constitutional command that private property cannot be taken without just compensation. (See Letter of Chief Seattle attached as Appendix B) If other people have suggestions which can improve upon this proposal or otherwise satisfy the reasonable expectations of both environmentalists and landowners, we would certainly be supportive.

SUMMARY OF BUS LOOP DATA

Length: Approximately 16 miles

Existing road: 8 miles

New restricted access country lane lane: 8 miles

Right of Way: 40 feet

Two 10 foot bus lanes

Two 5 foot bicycle lanes

Two 5 foot borrow pits

Cost of Construction: \$10 Million

(Cost does not include water and sewer lines)

Cost per development unit (DU): \$2000 per DU

(Each DU is equal to one dwelling unit or 2000 square feet of commercial floor area.)

Time to travel complete 16 mile loop: 38 minutes

Cost per DU to maintain:

15 minute bus headways in each direction: \$500 per year

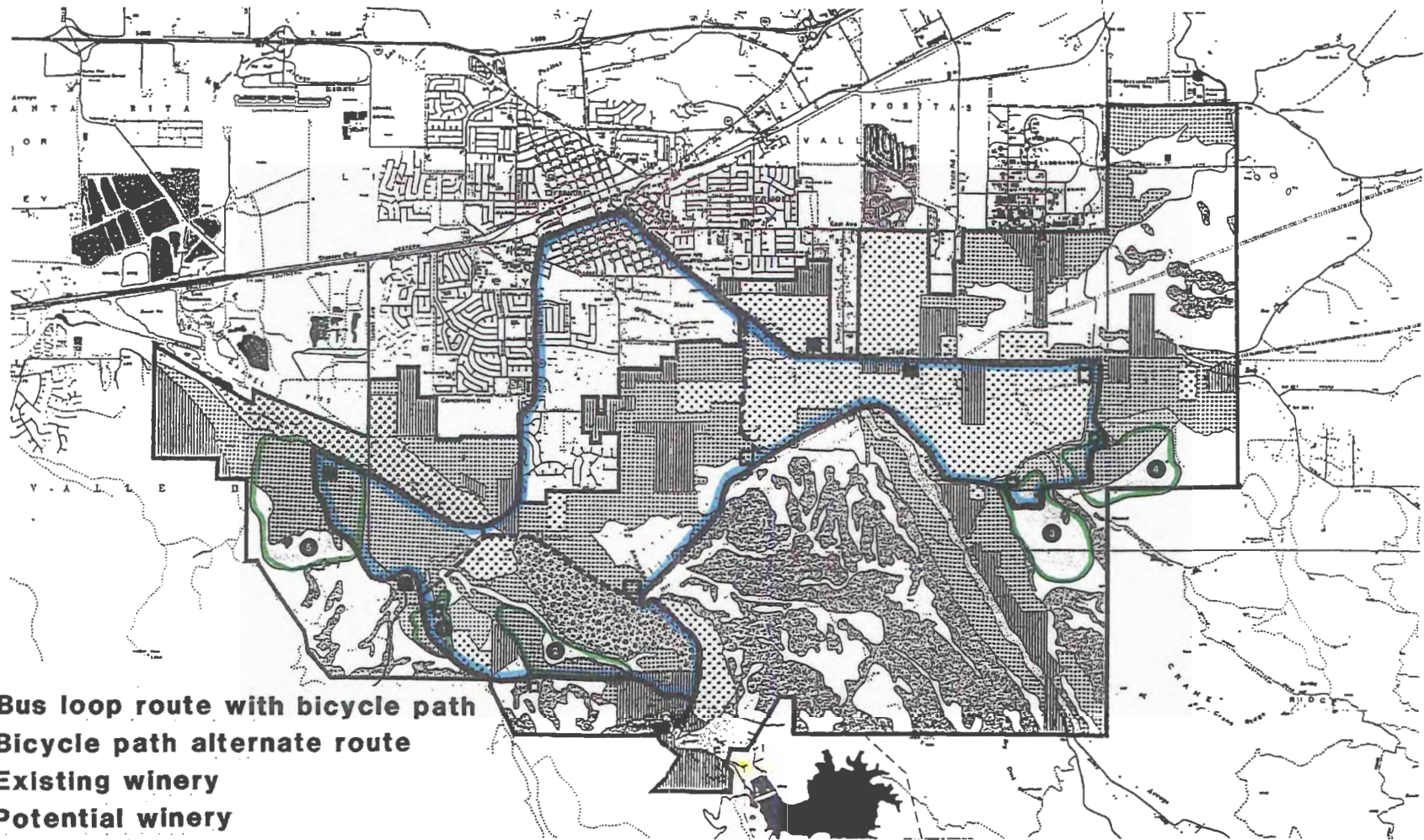
(Could be reduced by tourist revenues)

People Capacity:

If 15 minute headways: 6,480 round trips per day

If 30 second headways: 194,400 round trips per day

See foldout map after page 6



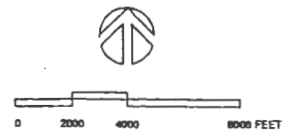
- Bus loop route with bicycle path
- Bicycle path alternate route
- Existing winery
- Potential winery
- Country Village

VINEYARD VILLAGE **CONCEPTUAL PLAN**

- CULTIVABLE LANDS**
- Existing Vineyards
 - Classified by U.S. S.C.S. as suitable for viticulture
 - Classified by CAC Subcommittee as suitable for viticulture

- NON-CULTIVABLE LANDS**
- Developed lands
 - Parks
 - Quarries

- Slopes exceeding 30 percent
- Lands in arroyos
- Other undeveloped lands



Base map prepared for the South Livermore Valley Study by Livingston and Associates / Mundie & Associates / Moore Jacofano Goltsman who are not responsible for this vineyard Villages Concept.

CHAPTER II.

THE VILLAGES

The four villages shown on the Vineyard Loop plan would be approximately 100 to 300 acres each in size. The locations shown are illustrative only and the villages could shift in location as information becomes available regarding landowner cooperation and site attributes.

Population

The four villages would have a holding capacity for about 3500 dwelling units and one million square feet of commercial space on only about 600 acres of private development. (See Appendix F) The population the villages would be 8000 to 9000 people.

Location Criteria

The village sites would be tucked into the foothills away from the fertile bottomlands. This would preserve the best views across the vineyards for people in the villages. The villages locations would be screened by natural topography from nearby highways. At the distances the villages would be seen from town, the villages would blend unobtrusively with the greenery of the foothills.

Design Themes

Each village could have its unique design theme. For example, the village shown on the Kalthoff property could pick up a Victorian design theme from the historic Kalthoff home located on that site. Architects could have fun with a Mediterranean Village theme on the hillside just west of Mines Road. The ranchlands on the wide open spaces of the village east of Mines Road might lend themselves toward an old west theme with emphasis on redwood construction in the style of Mendocino County. A dude ranch and equestrian trails might fit comfortably in the Mendocino Village.

Example Village

A prototype village of approximately 100 acres has been designed for the Kalthoff property to illustrate these design concepts (see envelope page at back of document). A typical 100 acre village would include approximately 20 acres (20%) of public space and buildings. Of the remaining 80 acres, 60 acres (60%) would be used for residential and 20 acres (20%) would be used for commercial.

Density

Within the residential lands, the density would be kept at a relatively high six units per acre. Flexible zoning would apply to permit and encourage variety in density and design. (See Question 5 of Appendix C for a more detailed discussion of zoning)

Land Uses

An effort would be made to permit land uses supportive to a nonautomobile lifestyle for the villagers. Thus, offices for doctors, insurance agents and the like as well as local serving retail stores would be considered appropriate. It would be particularly important to include an elementary school within one of the villages to provide a focal point for the community activity and interaction.

Signature Property

The Signature Property is different from the other four village sites and should be treated differently. The primary difference is that Signature is proposing a Jack Nicklaus championship golf course with a resort hotel and large lot housing. The presence of premier quality golf resort is an important ingredient to bringing an upscale image and prosperity to the Livermore wine and tourist industry.

It should be noted that much of the Signature proposal is located within Pleasanton's sphere of influence. Unless tied to Livermore by something like the Vineyard Loop, the Signature Property logically should be annexed and developed as part of the City of Pleasanton.

While one championship country club is essential to the Vineyard Plan, two golf courses might be too many based upon limited land supply. In any event, with a large lot golf course subdivision, the ratios of conservation easement to housing units recommended in the Vineyard Village plan for the remainder of the fertile crescent would not work. Based upon its special contribution to wine country ambience, we are recommending that the Signature proposal be approved as a freestanding planned unit development without reference to the quantum of conservation easements used in the remainder of the study area.

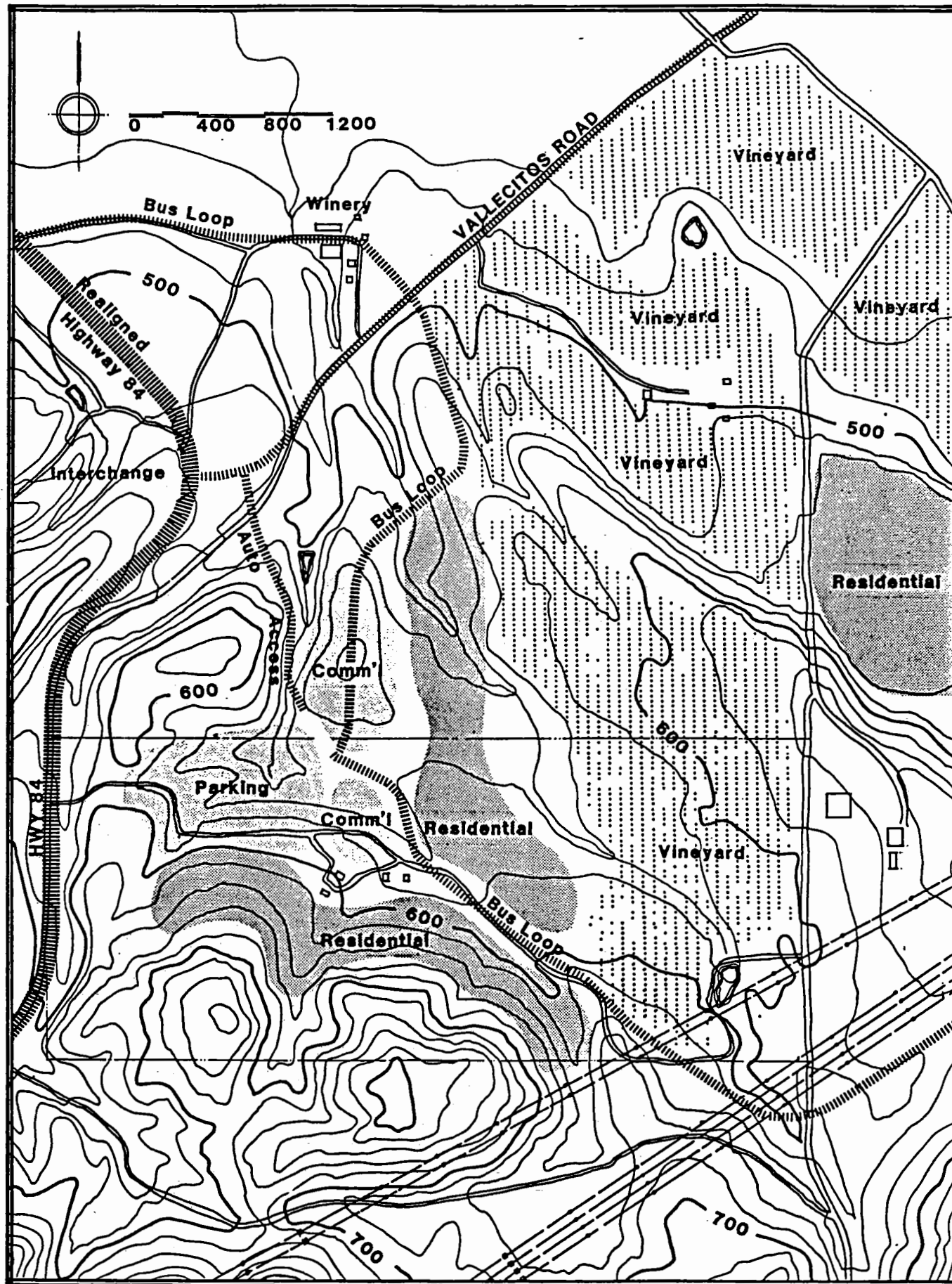
Wente Lands

The Signature proposal is partially located on lands which were purchased in the mid 1980's by Wente Bros. This raises a legitimate concern. If Wente Bros. were to propose a similar golf course subdivision on the Wente lands directly south of Livermore, that golf course could finish off the fertile crescent as a grape growing region.

The concern can be addressed in part by looking to the past. As the major grower and purchaser of grapes the Wente Bros. Winery (together with the Concannon Winery) carried the vineyard industry in the valley while comparable agricultural lands further north were being absorbed into Livermore. Wente Bros. took the lead in obtaining official designation of the Livermore Valley as a recognized wine growing region. This designation permits the appellation "Livermore Valley" to be put on wine labels from the valley. In addition, when Wente bought the Vineyard Avenue property now under option to Signature, the Vineyard Avenue property was in disrepair, had recently been put through several speculative changes in ownership, and was in danger of conversion to land uses incompatible with an upscale wine growing region. More than any thing else, the opening

of Cresta Blanca, the four star Wente restaurant surrounded by vineyards, has enabled people to envision the Livermore Valley as competitor of Napa Valley. These points are made to provide some needed perspective on the Wente Bros. longstanding commitment to the Valley's wine industry.

As to future guarantees, the Vineyard Village Plans could provide greater assurance, in fact permanent assurance, that Wente vineyards on the south valley floor would not end up as large lots in a golf course subdivision. If pursuant to the Vineyard Village Plan, Wente Bros. committed to grant permanent conservation easements over its lands south of Livermore (in exchange for lands within the villages on the same basis as other vineyard owners), we think that should be satisfactory further assurance of Wente Bros. commitment to the vineyards.



CONCEPTUAL VILLAGE LAND

USE PLAN

Peter G. Shutta, AIA
Architecture & Planning

688 Petaluma Avenue • Petaluma, CA 94956
(415) 484-0908

CHAPTER III.

THE RIGHT TO DEVELOP

In the Vineyard Village proposal, the landowners who grant a conservation easement over open space or agricultural land would receive fee simple title to a parcel of land with a legal entitlement to build a specified quantity residential or commercial space. Note, this is in contrast with the Livingston transferable development credit (TDC) proposal (and every other TDC system we are aware of) because the recipient of the Livingston's transferable development credit still has to find a piece of land on which to exercise the credit.

In otherwords, the Vineyard Village proposal really is not a nebulous "transferable development credit" scheme at all, but rather a sophisticated clustering concept which can be accomplished by deed for deed exchanges between property owners.

Here is an example of how the system would work. The owner of a vineyard wants to own a piece of a wine country village. He grants a conservation easement over 100 acres of his vineyard to a non profit land preservation corporation. In exchange, he receives a deed back from the land preservation corporation to 20 acres in beautiful downtown Victorian Village with the right to build 100 dwelling units on it. The right to build 100 dwelling units immediately has been guaranteed by a development agreement with the County and necessary water and sewer lines have been installed adjacent to the 20 acre parcel. Of course, the landowner still retains fee simple ownership to his original 100 acre vineyard parcel subject to the limitations of the conservation easement.

In the Vineyard Village Plan, we are proposing that the landowners receive one "development unit" D.U. for each acre of vineyard on which he grants a conservation easement. Each D.U. essentially gives the landowner the right to build one dwelling and 1/6 of an acre (7260 sq. ft.) to build it on.

In the alternative, a D.U. could be used to obtain commercial floor space. We are suggesting each D.U. be entitled to a deed for 1/10 of an acre (4,356 sq. ft.) of land in the village with the right to build 2,000 square feet of commercial floor area on that one tenth acre. To establish the planned ratio of residential to commercial space, it would probably be necessary to limit landowners to using a maximum of 25% of their D.U.'s for commercial.

There are still several thousand cultivable acres within the fertile crescent that are not planted in grapes. Some of this acreage probably lacks the proper attributes to become vineyard land. With the Vineyard Loop plan it will be economical for many of the cultivable acres to be converted to vineyard. For example, assume that it costs \$10,000 per acre to establish a new vineyard. (Livingston calculates \$7,812 out of pocket over three years at Section II. p. 27 of Technical Memorandum No. 1). Assume also that the value of a D.U. in the village settles at \$30,000. Thus, a landowner could convert his cultivable

land to vineyard for \$10,000 per acre, pocket \$20,000 per acre and keep the new producing vineyard. In this manner the economic energy from the urban land market could be channeled to pushing up new vineyards from now bare soils.

Compare that to the County's June 1989 proposal. The draft County Plan gives one "development credit" per five acres of vineyard subjected to conservation easement. The County Plan then guarantees a sales price of \$20,000 per development credit. Analyzing that proposition, no rational landowner would spend \$50,000 establishing five acres of vineyard in exchange for \$20,000 cash and the loss of all future development rights on the vineyard just created!

Thus, it is not unreasonable to hope that the Vineyard Village Plan, if adopted, would actually increase the acreage of vineyards in the fertile crescent from 1,400 acres to 2,400 acres. By giving rights to landowners (rather than taking rights away in the defeatist strategy of merely slowing down the shrinkage of vineyard acreage) the Vineyard Village Plan achieves the mutual goals of both environmentalists and landowners.

An important element to the success of the Vineyard Village proposal is that the only restriction on the rate of growth must be market demand. The villages should grow quickly toward the minimum buildout of 5,000 D.U.'s in order to reach appropriate use levels and moderate the operating cost per D.U. ratios for the bus loop. Moreover, growth control makes no sense when everybody agrees upon the buildout scenario. In the Vineyard Villages Plan, faster development means faster acquisition of permanent open spaces in the fertile crescent.

CHAPTER IV.
APPROVAL SCENARIO

WHAT ACTION	BY WHO	HOW LONG
1. Approve Vineyard Loop in Concept	Citizen's Advisory Comm. (CAC) till consensus Steering Comm. (SC) Board of Supervisors (B/S)	
2. Draft Specific Plan	Consultant	4-6 mos.
3. Do EIR on Specific Plan	Consultant	4-6 mos.
4. Adopt Specific Plan	Planning Comm. (PC) and B/S	4 mos.
5. Approve zoning	PC and B/S	In tandem w/#4
6. Approve development agreement	PC, B/S, Livermore City Council (LCC) and Livermore PC (LPC)	In tandem w/#4
7. Place bond issue on ballot	B/S	In tandem w/#4
8. Voter approval (this guarantees the deal!)	Alameda County voters	Next scheduled election date - at least 90 days after placed on ballot
9. Detailed road loop and utility design	Engineering consultant	4-6 mos.
10. Detailed village plans	Consultant in conjunction w/ landowners	In conjunction w/#9
11. Sign up period for open space and vineyard parcels (to exchange conservation easements for title to village parcels).	Landowners	In conjunction w/#9
12. Construction of vineyard loop	Lowest responsible bidder	6 mo. - first phases 12 mo. - completion
13. Building permits for private construction	Landowners	In tandem with construction of the Loop

CHAPTER V.

LEGAL ARRANGEMENTS

1. Specific Plan

a. The specific plan would be a more refined and officious version of the concepts expressed in this document. All the data gathering and technical analysis has already been admirably accomplished by Livingston and Associates.

b. The specific plan by Livingston and Associates should include site specific village plans with street layout detailed and a "zoning plan" specifying exact densities per parcel.

2. Zoning

Base zoning will apply to all lands regardless of participation in development agreement or dedication of conservation easements.

a. - Base zoning 1 dwelling unit per 40 acres

b. - By use permit
- within vineyard area 1 dwelling unit per 20 acres
i. Provided no more than 2 acres devoted to dwelling and curtilage (i.e. 18 acres remain in vineyard)

- Wineries
- with working vineyard 1 per 20 acres
i. Must be located on Vineyard Loop
ii. Winery must not absorb more than 4 acres of site

- Wineries
- without working vineyard 1 per 20 acres
i. If not within village must be a cluster of at least 5 wineries in a cluster on the Vineyard Loop adjacent to winery with working vineyard.
ii. Must be a producing winery (Not just a marketing outlet)

c. Village lands

Commercial: Planned Commercial Development PCD 20,000:

measuring 20,000 sq. ft. of floor area per acre authorized subject to site plan review
(Each Development Unit D.U. can be used for 2000 sq. ft. of floor area.)

Residential: Planned Residential Development PRD 6:
meaning 6 dwelling units per acre.
(Each D.U. can be used for one dwelling unit)

3. Development Agreement

- a. Parties: County of Alameda, City of Livermore, non-profit land preservation corporation.
Initially: Owners of lands upon which villages are located.
Either Initially or Later: Owners of 66 2/3% of lands to be preserved agreeing to grant conservation easements contingent upon the following:

1. Approval of the bond issue by 66 2/3% of County Voters.

- b. City to provide water and sewer capacity to the village properties subject to normal development fees collected by Livermore.

- c. At City's option, County and village landowners to support special legislation to permit linear annexation of the Vineyard Loop and villages while leaving an island of vineyard and open space land in Alameda County.

- d. County to keep specific village zoning and specific plan in force for twelve years from date ballot bond issue voted upon.

- e. Village property owners agree to support inclusion of village properties into Mello Roos and conventional assessment districts as specified (school, local streets, pay back to bond issue of Vineyard Loop construction cost, and off site water and sewer cost, cost of operation of bus loop)

- f. If necessary, County agrees to use power of eminent domain to purchase necessary right of way or portions of village sites.

4. Bond issue/ballot measure

- a. Build Vineyard Loop (with reimbursement provisions).
- b. Purchase land and development rights within the vineyard area as necessary to implement the specific plan.
- c. Reimburse County for costs of planning and defending the Vineyard Village Plan.
- d. (Optional) Create off peak water storage capacity to support expanded agriculture water demand in dry years.

5. Conservation Easements and Development Rights Transfer

- Participation must be genuinely voluntary or fully compensated.
- The grant of conservation easement should be in exchange for a grant of fee simple

ownership to a discrete parcel within a village site. The discrete parcel within the village conveyed to the grantor of the conservation easement would have zoning for six units per acre (average), a development agreement guaranteeing zoning, utilities adjacent to the site and approved street layout. However, that parcel would be burdened by assessment district obligations as required to pay for the streets and utilities and services.

- The mechanics of the land exchange would probably involve setting up a non-profit land preservation corporation to hold title to lands. The land preservation corporation would be a party to the development agreement. Conveyance of the village to the non-profit corporation by the original owner of the village lands would "trigger" the right to develop on the village lands. A portion of the village lands (now enhanced by the right to develop) would be immediately reconveyed to the contributor of the village lands. The remaining portions of the village lands would be exchanged with the grantors of conservation easements. The land preservation corporation would hold title to the conservation easements and enforce its terms thereafter. The Board of Directors of the land preservation corporation would be composed of property owners including village residents within the Specific Plan area.

Livermore - Amador Valley Planning Unit

VITICULTURE POLICY STATEMENT

By Phil Wente of Wente Bros.

Monday, June 6, 1988

WENTE BROS.

It is Wente Bros. belief that a top quality winegrowing district cannot only exist, but prosper in the Livermore Valley. However, in order for the type of environment to be created that will ensure at least a chance for the Livermore Valley to be internationally competitive, there are many key ingredients that will need to all come into harmony. The key to environment is quality, and the key to the success of the Wine Industry is the marketability of this quality.

A quality agricultural environment translates directly into economic viability. In trying to create a healthy economic existence for agricultural lands, a regional policy of promotion, economic stimulation, and romantic ambience needs to be considered. Strict agricultural zoning into large parcels has proven over the last fifteen to twenty years not to provide any of the above. The end result of current policy is the slow and sporadic annexation of prime land by the cities solely for residential and industrial useage, mainly because the land had little or no perceived value due to an effective economic lockout under zoning regulations.

Agricultural land can be competitive with other prime uses, residential, industrial, etc., but it needs to be promoted. A prime example is the Napa Valley where bare land suitable for vineyard, almost anything applies here, is selling for \$30,000 to \$40,000 per acre. This is primarily due to promotion, for historically, Napa wines were considered no better than Livermore or Sonoma, however the majority of vineyards are 20 acres or smaller in size. The main thrust of the Napa movement has occurred in just the last 10-15 years, a very short time in relationship to how large the change in image of the region has been. Today's social, political, and economic climate is extremely competitive as compared to California of 20 years ago. To achieve the results that the Napa Valley accomplished, in such a short time, by bringing their name to the forefront of the international wine industry is a difficult goal, yet achievable.

In examining the key ingredients of Napa's successful marketing campaign, the Livermore Valley either has these components in existence or can create the remaining ones, and has a few other assets Napa does not have. The natural beauty of both areas is different, yet outstanding in their own respect. The climates are slightly different, although similar enough that the wines of the two regions have battled back and forth for top honors at fairs and judgments for years. One of Napa's basic strengths lies in the fact that its wine industry has a very broad base of support. The majority of vineyards are owned by independent growers and small wineries while eighty percent of Livermore's vineyards are owned by two wineries. The significance of this is that not only does Napa have 180 wineries making Napa Valley wines, but it also exports grapes to other wineries all over California greatly enhancing the market value

of these grape varieties, as well as the Napa name which these wineries put on the bottle as the appellation of origin. The Livermore Valley must not only encourage existing growers to market their grapes outside of the Valley, we must encourage a wealth of new independent growers to invest here in order to create the supply of grapes so that prestigious California wineries will produce wines carrying the Livermore Valley appellation. Vineyards from 3 acres to 20 acres would be practical for investment purposes, would greatly strengthen the base of the wine industry here, and would provide marketable quantities of grapes to outside wineries. Another of Napa Valley's successes is the overall perception of quality and ambience it has achieved. This has primarily been accomplished by all the ancillary development fostered by the wine industry. Silverado, Meadow Wood and the scores of gourmet restaurants are prime examples. The Livermore Valley can conceivably create a similar atmosphere if the communities desire to plan appropriately and they have a substantial advantage of being part of the Bay Area.

None of these keys to success are going to initiate themselves, they need to be carefully set into motion by creating an outstanding example of the desired goal. Wente Bros. believes in the future of the Livermore Valley, and it is our desire to set an example of what we feel will be appropriate, in order to create the overall atmosphere that will maintain an economic competitiveness for the Livermore Valley in the growing international wine market. To this end, there is a strong need to create 20 acre or less vineyard sites as well as complimentary ancillary facilities that will help solidify the wine industry here in the Valley, and promote the name internationally by making available an increasing supply of Livermore Valley grapes and wine from an area that will be perceived as having a beautiful and romantic ambience.

Wente Bros. feels a strong commitment from the Valley communities to support the wine industry, but this support needs to be harnessed and channeled into a concise and cohesive direction that puts the world on notice that the Valley intends to be nothing short of the finest winegrowing region in the world, with all the ancillary qualities of a world class community. These goals are certainly achievable, however, the entire Valley as well as the wine industry are at a turning point, and due to the extreme competitive nature of events that surround us, time is of the essence. The Livermore Valley has some of the most outstanding natural resources in California, and with timely planning these cannot only be preserved, but also enhanced for the enjoyment of all.

LIVERMORE VALLEY

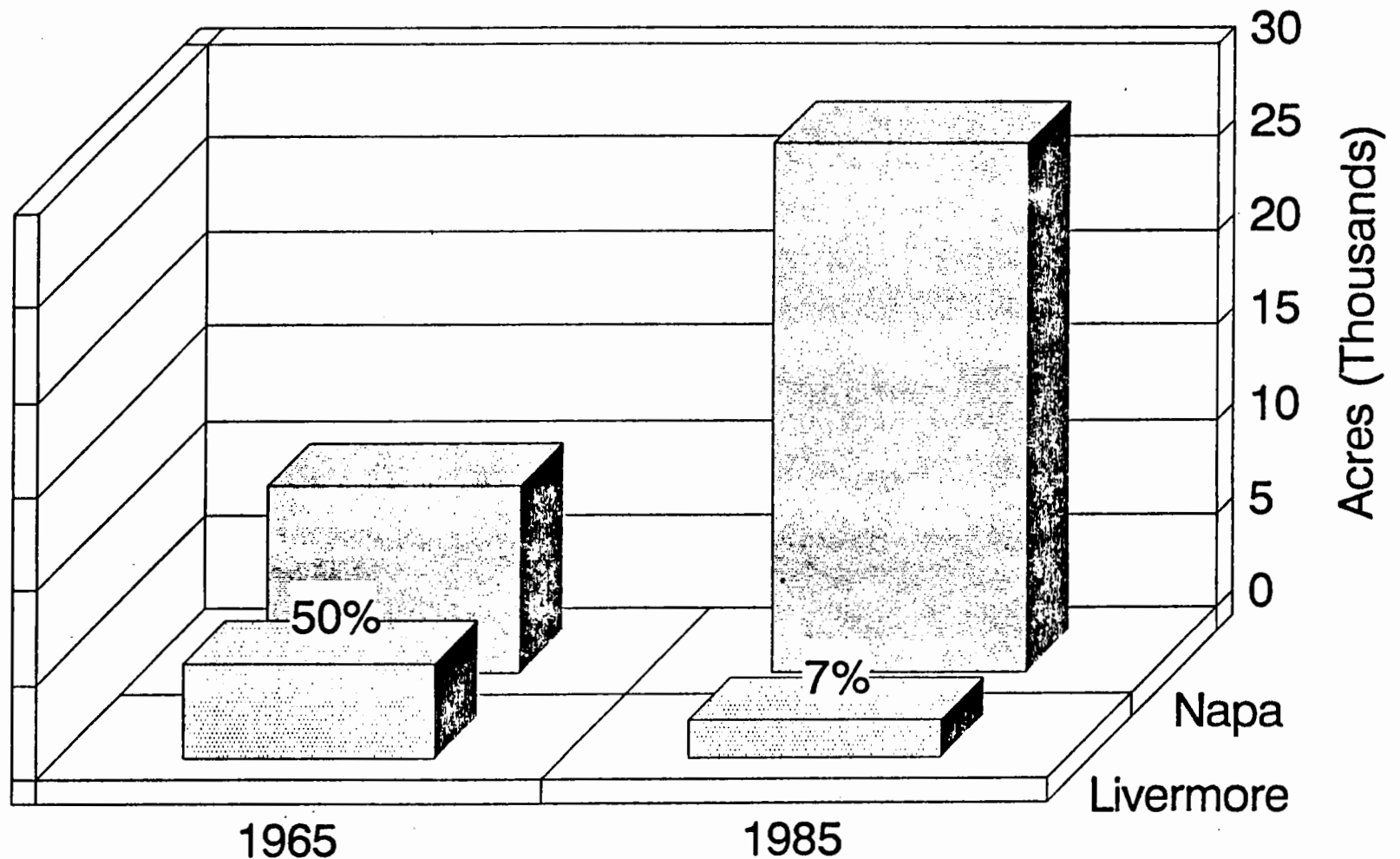
VITICULTURE CRISIS

Growth Comparison To Napa Valley

	1965	1985	Difference
NAPA VALLEY			
Vineyards (Acres)	10,000	28,000	+18,000 (180%)
Wineries	20	150	+130 (650%)
LIVERMORE VALLEY			
Vineyards (Acres)	5,000	2,000	-3,000 (-60%)
Wineries	7	7	0 (0%)

LIVERMORE VALLEY

Comparison Of Growth Rates



LIVERMORE VALLEY

Cost Of Establishing Vineyard

100 Acre Parcel (excludes cost of land)

	Year 1	Year 2	Year 3
Tons Of Grape	0	0	75
Income	0	0	45,000
Expenses	560,000	195,000	155,000
Profit / <Loss>	<560,000>	<195,000>	<110,000>
Cumulative Loss	<560,000>	<755,000>	<865,000>

Letter of Chief Seattle

'Chief Seattle was one of the last spokesmen of the Paleolithic moral order. In about 1852, the United States Government inquired about buying the tribal lands for the arriving people of the United States, and Chief Seattle wrote a marvelous letter in reply...

"The President in Washington sends word that he wishes to buy our land. But how can you buy or sell the sky? The land? The idea is strange to us. If we do not own the freshness of the air and the sparkle of the water, how can you by them?

"Every part of this earth is sacred to my people. Every shining pine needle, every sandy shore, every mist in the dark woods, every meadow, every humming insect. All are holy in the memory and experience of my people.

"We know the sap which courses through the trees as we know the blood that courses through our veins. We are part of the earth and it is part of us. The perfumed flowers are our sisters. The bear, the deer, the great eagle, these are our brothers. The rocky crests, the juices in the meadow, the body heat of the pony, and man, all belong to the same family.

"The shining water that moves in the streams and rivers is not just water, but the blood of our ancestors. If we sell you our land, you must remember that it is sacred. Each ghostly reflection in the clear waters of the lakes tells of events and memories in the life of my people. The water's murmur is the voice of my father's father.

"The rivers are our brothers. They quench our thirst. They carry our canoes and feed our children. So you must give the rivers the kindness you would give any brother.

"If we sell you our land, remember that the air is precious to us, that the air shares its spirit with all the life it supports. The wind that gave our grandfather his first breath also receives his last sigh. The wind also gives our children the spirit of life. So if we sell you our land, you must keep it

apart and sacred, as a place where man can go to taste the wind that is sweetened by the meadow flowers.

"Will you teach your children what we have taught our children? That the earth is our mother? What befalls the earth befalls all the sons of the earth.

"This we know: the earth does not belong to man, man belongs to the earth. All things are connected like the blood that unites us all. Man did not weave the web of life, he is merely a strand in it. Whatever he does to the web, he does to himself.

"One thing we know: our god is also your god. The earth is precious to him and to harm the earth is to heap contempt on its creator.

"Your destiny is a mystery to us. What will happen when the buffalo are all slaughtered? The wild horses tamed? What will happen when the secret corners of the forest are heavy with the scent of many men and the view of the ripe hills is blotted by talking wires? Where will the thicket be? Gone! Where will the eagle be? Gone! And what is to say goodbye to the swift pony and the hunt? The end of living and the beginning of survival.

"When the last Red Man has vanished with his wilderness and his memory is only the shadow of a cloud moving across the prairie, will these shores and forests still be here? Will there be any of the spirit of my people left?

"We love this earth as a newborn loves its mother's heartbeat. So, if we sell you our land, love it as we have loved it. Care for it as we have cared for it. Hold in your mind the memory of the land as it is when you receive it. Preserve the land for all children and love it, as God loves us all.

"As we are part of the land, you too are part of the land. This earth is precious to us. It is also precious to you. One thing we know: there is only one God. No man, be he Red Man or White Man, can be apart. We *are* brothers after all."

From: Campbell, Joseph, with Bill Moyers: The Power of Myth. 1988, Doubleday, N.Y., N.Y.

Appendix C

Issues and Answers

1. How would it be determined which landowner would get the best parcels within each village?

As part of the specific plan process, the landowners willing to participate could be grouped geographically with the nearest village. In some cases, the landowners might agree to form a consortium for the unified planning of their village (or a portion of their village). In the alternative, the specific plan could propose a breakout of subdivided parcels that gives each participating landowner a fair combination of locations. If agreement still were not achieved, the subdivided sites could be parceled out based on a rotation like the NFL draft.

2. How would tourists get cases of wine back to their cars from the wineries on the bus loop?

Buses could be designed with open racks (like the parking lot shuttle at San Francisco Airport which has open racks for luggage). This might also be useful to residents of the villages transporting bulky goods from the store to home or golf clubs to the county club.

In addition, the wineries could cooperate to establish pick up points at the two major entry parking lots. A tourist could designate her chosen pickup point for a case of wine and get a numbered ticket in return. At the pickup point she could trade her numbered tickets for the cases of wine she purchased.

3. How would tourists get luggage to and from their hotels?

Tourists would generally be permitted to drive directly to their hotels - subject to the entry fee all nonresident vehicles would be charged to enter the village street system. Once at the motel, the vehicle would stay parked because all local destinations would be accessible from the Vineyard Loop. Leaving the village by car would trigger another fee upon reentry into the village street system.

4. What would it cost to ride the bus?

The bus would be free to residents of the villages, but would actually be paid for by a maintenance assessment included with the residents

tax bill. For nonresidents, several alternatives should be studied:

1. A flat fee per day (e.g. \$5) could cover tourist parking cost and a day long bus pass for tourists. Revenues might result in a reduction of annual maintenance assessment cost to residents.
2. All rides within the villages could be free but regular bus rates (e.g. \$0.50 per trip) could be charged within the City limits to prevent overuse by nonpayors.

5. How would the residential zoning work?

For example, assume that within a village, the residential sites break out as follows:

<u>Zoning District</u>	<u>No. of Units Per Acre</u>	<u>No. of Acres</u>	<u>Total Units</u>
PRD-20	20	5	100
PRD-12	12	5	60
PRD-6	6	10	60
PRD-4	4	30	120
<u>PRD-2</u>	<u>2</u>	<u>10</u>	<u>20</u>
PRD-6	6	60	360

A landowner contributing 100 acres of conservation easement over vineyards would be entitled to 100 development units (DU's) of which up to 25 DU's could be applied to commercial development. Assuming the landowner saves 10 DU's for commercial, he could apply 90 DU's to residential at the average development intensity of the PRD-6 zoning district. In other words, he could develop 90 units at an average density of 6 units per acre. Looking at the available zones in this village he could choose any combination of the available zones adding to 90 units and 15 acres. For example:

<u>Zoning</u>	<u>No. of acres</u>	<u>No. of Units</u>
PRD-20	2	40
PRD-4	12	48
<u>PRD-2</u>	<u>1</u>	<u>2</u>
	15	90

6. How would the commercial zoning work?

Assume an owner has 25 DU's which he can apply to commercial. For each

DU he is entitled to 2000 square feet of floor area and 1/10 of an acre. Thus, with 25 DU's he is entitled to 50,000 square feet of floor area and 2.5 acres to put it on. This could support a 10,000 square foot winery, a 15,000 square foot restaurant and a 25,000 square foot (50 unit) hotel.

7. What if it is not economical to convert additional lands to vineyard?

People have raised concerns regarding lack of soil suitability, potential lack of water, and changes in demand for wine. As part of the specific plan process the ratios proposed herein should be given a closer analysis. Several possibilities for refinement are already being looked at by the authors. One, if vineyard expansion is not realistic, then the number of DU's granted per acre of vineyard conservation easement should be increased to one and one half DU's per acre. Second, apple orchard land could be rewarded with development units at somewhat near the ratio that vineyard land receives DU's. Third, other cultivable land could receive some premium of DU's to non-cultivable say one unit per five acres rather than one unit per ten acre.

Appendix D

Cost of Construction of Vineyard Loop

Assume:

16 Mile Loop (approximate)

8 miles: Existing road

8 miles: New restricted access country lane

Permitted users: buses, bicyclist, local residents vehicles (limited)

Cross Section:	5 foot bicycle lane
	10 foot bus lane
	10 foot bus lane
	<u>5</u> foot bicycle lane
Subtotal	30 foot paved area
	<u>10</u> foot borrow pit
Total	40 foot right of way

Cost

New Road

- \$3 per sq. ft. for street section - grading, base material and paving

(Not included are utilities or right of way which are to be provided by landowners)

- 30 ft. width x \$3 per sq. ft. of street section = \$90 per lineal foot

- Allow: 100% increase for engineering design, unusual topography, incidental landscaping and cost overruns; Thus, \$90 per lineal ft. x 2 = \$180 per lineal foot

- 8 mi. of new road = 42,240 lineal ft.

- 42,240 lineal ft. x \$180 per lineal ft. = \$7,603,200 cost for new road

Cost for 8 mi. of new road	\$7,603,200
----------------------------	-------------

Cost for selected upgrades to existing roads on the loop (such as adding bike lanes to Vineyard and Tesla)

\$2,000,000

\$9,603,200

say \$10 million

Cost per development unit

"Development Unit" includes commercial development which would constitute 1/2 of the Village development

If 4,000 units

\$2,500

per unit

If 5,000 units

\$2,000

per unit

Compare: Livermore TIF (Transportation Improvement Fee) for medium density equals:

\$1,305

per unit

Appendix E

Cost of Operation of Busway on Vineyard Loop

Distance

16 mi.

3 mi. - Inner Livermore (e.g. Pacific Avenue, First Street, Holmes to 4th Street).

13 mi. - Country & Arterial (e.g. Tesla, Holmes, 84, Vineyard Avenue)

Average speed

- Inner Livermore 15 m.p.h. (speed limit 25 m.p.h., 4 stops per mile).
- Country & Arterial Streets 30 m.p.h. (speed limit on busway 45 m.p.h.)
(stops on busway: 2 stops per mile)

Time for bus to complete loop:

15 m.p.h. = .25 miles per minute (m.p.m.)

30 m.p.h. = .50 miles per minute

Inner city: 3 mi. length -- .25 m.p.m. = 12 min.

Country/Arterial: 13 mi. length -- .50 m.p.m. = 26 min.

Driving time to complete loop 38 min.

Add: downtime, estimating error 7 min.

Total time to complete loop 45 min.

Establish Headways:

1 bus = 45 min. headways, one way

2 buses = 45 min. headways each direction

22.5 min. headways, one way

6 buses = 15 min. headways, each direction

7.5 min. headways, one way

9 buses = 10 min. headways, each direction

5 min. headways, one way

Maximum Daily Trips

(Assume one complete round trip per rider, 18 hour period, 45 person bus)

If 15 min. headways, each direction (8 loops x 18 hours x 45 persons = 6,480 round trips per day).

If 10 min. headways, each direction (12 loops x 18 hours x 45 persons = 9,720 round trips per day).

If 30 second headways, each direction (240 loops x 18 hours 45 persons = 194,400 round trips per day).

Hours of Bus Operation

(Using, for example, 15 min. headways each direction from 6 a.m. to 12 p.m.

1 hour headways, one way from 12 p.m. to 6 a.m.

6 buses x 18 hours (6 a.m. to 12 p.m.) = 108 hours

1 bus x 6 hours (12 p.m. to 6 a.m.) = 6 hours

Hours per day: 114 hours

114 hours per day x 365 days per year = 41,610 bus hours per year

Cost of Operation of Busway on Vineyard Loop (continued)

Bus Cost Per Year

Operating cost: \$35 per hour

(This is the price at which Laidlaw Transit provides bus service for the Livermore Amador Valley Transit Agency - This price includes bus drivers salary, bus maintenance, insurance, fuel and everything except bus cost).

Capital Cost: \$25 per hour

(A 43 passenger bus costs \$185,000)

Total Cost Per Hour

\$35 per hour operating cost + \$25 per hour capital cost = \$60 per hour

Annual Cost (for 15 min. headways each direction):

\$60 per hour x 41,610 hours per year = \$2,496,600

Annual Cost Per Unit (for 15 min. headways in each direction)

("Unit" includes commercial development)

Divide annual cost of \$2,496,600 by:

If 4,000 units \$624.15 per unit per year

If 5,000 units \$499.32 per unit per year

Compare: Cost per year to own, maintain, insure and operate
an automobile: \$5,375

Appendix F

Calculation of Permitted Units and Required Acreage

Type of Land	Number of Acres	Source	Deduct: Signature Property West of State Route 84 (est.)	Acreage After Deducting Signature	Upper Limit No. of DU's (After New vineyards added)	Additional DU's Needed to Acquire Village Sites and Right of Way	Total Possible DU's (Not including Signature)
1. Land in vineyards	1400	Tech Memo #1 (est.)	-0-	1400	1200	-0-	
2. Cultivable Land (Not vineyards or on Livermore fringe)	4140	p.43, Jan.'89 Report minus Column #2	500	3740	1000	825 un. (i.e. 550ac.)	
3. Cultivable Land on Livermore fringe	327	p.43, Jan.'89 Report	-0-	327	300		
4. Developable Non-Cultivable Lands (Less than 30% slope)	4207	p.23, Jan.'89 Report	500	3707	300	375 un. (i.e. 250ac.)	
5. Underdevelopable Lands (More than 30% slope)	2235	p.23, Ja.'89	40	2195	-0-		
TOTALS:	12,309 acres		1040 acres	11,269 acres	2800 DU	1200 DU (800 ac.)	4000 DU

ABOUT THE AUTHORS

STEPHEN A. KALTHOFF

1100 Vallecitos Road
Livermore, CA 94550

Stephen A. Kalthoff owns and operates a 200 acre parcel off of Vallecitos Road which includes 65 acres of vineyard. The Kalthoff vineyard has been in family ownership since 1921 with the entire 65 acre parcel replanted from years 1977 through 1987. This spring 53 acres of Grey Riesling vineyard were regrafted to Chardonnay and 12 acres of AXR rootstock was grafted to Cabernet Sauvignon. Mr. Kalthoff received a B.S. in economics from the University of San Francisco in 1962 and an M.B.A. from the University of California at Berkeley in 1964.

PETER MACDONALD

533 Peters Avenue
Pleasanton, CA 94566
(415)462-0191

Peter MacDonald is an attorney in private practice specializing in land use law. Mr. MacDonald received his B.A. in economics from the University of Montana at Missoula in 1969. He earned an M.S. in Urban Planning from the University of Arizona at Tucson in 1972. In 1975 he was awarded the J.D. in law also from the University of Arizona. Prior to entering the private practice in 1988, Mr. MacDonald was City Attorney to the City of Pleasanton from 1982 to 1988.

PETER SHUTTS

533 Peters Avenue
Pleasanton, CA 94566
(415)484-0903

Peter Shutts is an architect and land planner practicing in Pleasanton. A 1970 graduate of the University of Oregon with a Bachelor of Architecture Degree he is currently licensed in California, Nevada and Hawaii. He has been selected to sit on the Design Review Board of the City of Pleasanton and also serves on Design Review Boards for other private clients. He is the sole proprietor of Peter G. Shutts, A.I.A., a small firm doing award winning site planning and building design.