The Past, Present and Future of South Livermore Valley:
An Historical, Political, and Legal Geography of a California Wine-Producing Region and Its Preservation in A Land Trust

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Approved: [Signature]

Date: August 24, 1994
Dedicated to the Memory

of My Mother,

Lorie Annette Baublitz

My Greatest Teacher
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INTRODUCTION

The purpose of this thesis is manifold, all of which are based on a long-standing interest and concern with the loss and deterioration of prime agricultural lands in the State of California, still the leading agricultural producer in the nation. California is also the leading wine-producing state. One of the great resources and assets contributing to the state's multibillion dollar agricultural economy is its viticulture. California wines now rank among the best in the world, having matured over a hundred years from obscurity to develop their own prestige and distinctive varieties. The basis for such wines are the soils and climates which have such a broad range they almost reproduce the various wine regions of Europe. California wine-making also has a great historical legacy and cultural resource inviting a substantial influx of tourism, to the benefit of a stable local economy and regional identity as well.

In recent years, however, California viticulture and the wine industry have been strained and impacted by a combination of economic stagnation and disease infestation in the more notable wine-producing areas, such as in Napa Valley. Potential impacts of urbanization processes and the pending conversion of prime vineyards have also intensified at a time when grape prices have been dropping and land costs have been rising steadily. This has been recognized in a lesser known wine region, the Livermore Valley, though still a producer of quality wine grapes and renown for its premium white wines. While this region has been economically stagnant for many years and the vineyards have declined, the pressure to convert prime vineyard areas to suburban uses have only intensified. A need for business parks, shopping centers and low cost housing have all put increased demands on the land.
Livermore Valley's future as one of California's preeminent wine regions is now at stake pending the adoption of land use controls to protect it and eventually preserve it by establishing an Agricultural Land Trust. All efforts to preserve the vineyards and to reinvest in the local wine industry on a regional basis have been focused for several years in one area, namely the South Livermore Valley. This area represents both the historical origins of viticulture and the future domain of land use plans for urban development. The extent to which this wine country can coexist with suburban uses will be determined here. While still retaining a rural character, the Livermore Valley is in an uneasy transition.

Long-standing issues between city and county, between agricultural interests and developers, and between planners and preservationists have all culminated in the South Livermore Valley as the geographic focus of litigation over future development. Citizens and politicians alike have been debating the issues for over five years, while a major Environmental Impact Report was being prepared for the County's "South Livermore Valley Area Plan." This Plan is the outcome of all the political strategies, planning agendas, and public hearings in order to achieve a consensus.

The ultimate aim of the Plan is to allow development to mitigate environmental impacts by allocating fees which would be collected by a quasi-public land trust, approved by the county, and purchase conservation easements on prime cultivable lands for the expansion of the vineyards. The goal is for 5000 acres based on projected funds to be made available from the trust, most of which will be provided by the Ruby Hill project. Land use issues have revolved around this one project. This project will be pivotal in maintaining an economic livelihood of viticulture in this region.
The complete story of how this plan came about is considered here as the thesis, one which has a colorful past, a significant present, and an important future scenario. The geographical nexus of this case study is the South Livermore Valley, but the implications for land use planning are statewide, affecting all manner of urban-rural conflicts.

In doing the thesis research, I have attended most of the public hearings, while following the procedures in order to understand the "planning process" as it operates in the State of California. The South Livermore Valley Area Plan is a land use document with policy guidelines and implementation criteria almost entirely based upon "mitigation", either in the form of planting new vineyard acreage or by paying mitigation fees for urban development within a vineyard area. These fees will then be collected and distributed by the agricultural land trust in accordance with county supervision. The vineyard area in particular will be defined by new zoning and policies that strictly limit urban development by a rigorous set of criteria, from density scale to site design. The entire plan will serve as a model for environmental planning for major projects elsewhere in the state of California, particularly in its regional emphasis on planning both for agriculture and urban development which are mutually beneficial instead of being traditionally mutually exclusive. This is the challenge ahead for land planners.

The South Livermore Valley Plan attests to another important aspect which may not be so tangible in the civic affairs of a city and a county, and a region at large. In a time when litigation seems to be the prescribed manner for the resolution of conflicts, there is also the grave risk that the public knowledge of events and planning agendas may not be readily available and/or forthcoming.
The doubts about and suspicions of civic leaders in recent years have only complicated the problems in need of consensus-building in order to resolve long-standing conflicts between the vested interests, sometimes characterized as parochial in their influence. Or they may call for state intervention at the county level, delegated to carry out laws. This thesis intends to elucidate the whole process, from the planning agenda stage to political arena. The common denominator of all issues is found in the land.

The South Livermore Valley Area Plan has also served the public with opinions of all participants because along with professional politicians and urban planners, its planning agenda involved citizens directly in the process. Interjurisdictional dialogue and public hearings, workshops and conferences have all contributed to the plan's agenda. It is one of the most complex documents ever assembled for a relatively small geographic region. Yet it does a simple justice in spelling out all the details and conditions of carrying out the Plan, without leaving it to the proverbial backroom. The fact that the plan grew out of and matured from a difficult lawsuit between the city of Livermore and the county of Alameda only served to reinforce the "terms of agreement" which will encompass a 15,000 acre planning area. The future course of a wine region is now defined by political geography as well as legal geography in the fulfillment of long-term goals. Political abstractions of the past are now redefined in the crucible of legally binding obligations and expressed in the real geographical world. Planners are now facilitators who map areas not restricted to zoning, but of such notable creations as conservation easements and land trusts. Planners have now become practitioners in the art of the possible in mapping an agenda for future scenarios unrestricted by mere statistics.

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In view of the long history of evolving land issues between agricultural interests and urban developers, especially in as rapidly a changing state as California, the title of this thesis is intended to emphasize the historical perspective, hence, the past, present and future of the South Livermore Valley. It also serves to gain some deserved recognition of a still genuine, often overlooked, wine country.

The historical geography of the South Livermore Valley is fundamental to this thesis because it sets the stage for all the forthcoming events. It establishes the origins of viticulture in a geomorphological region easily adapted to grape growing. The Livermore Valley has the proper combination of geographical location, geological and soils formation, as well as climatic regime to permit any range of wine grapes. Location, climate and wine product made Livermore's wine-making distinctive. A hundred years ago it was already distinguished as the 'Sauternes district of California' and has maintained a degree of continuity to the present with some of the major landowners still in residence. Therefore, one of the themes of this thesis is the continuity and contiguity of Livermore Valley's vineyards. This presents both an historical and logical basis upon which to establish any long-term plan and a rationale for keeping the land in vineyards, or any other cultivated crops. Livermore Valley has also been successful as an olive growing region.

Chapter One is integral to all eventual studies conducted in the South Livermore Valley, one of the most important wine-producing areas in the state and one relatively free of the pest infestations ravaging the prime viticultural areas such as the Napa Valley. For this reason alone, Livermore Valley's viticulture is important to California's agricultural industry. It serves as a natural laboratory for viticulture, one which has left a rich and colorful wine-making history.

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Some of the most important leaders in the promotion of California's wine industry resided here. A colorful history is also complemented by scenic vistas and geographical place names which to this day serve as markers of the county's planning areas and environmental resource elements. From Brushy Peak to Crane Ridge, from Cresta Blanca to Ruby Hill, the Livermore wine region established itself with an identity and early success, even before the turn of the century. The pioneers preserved their memories in their own memoirs, such as the Wente Bros. Such historical sources are considered valuable in terms of understanding the importance of the Livermore region to the advent of viticulture and a certain tradition of wine-making unique to the area. The past is not forgotten. History is relevant up to the present.

Chapter Two outlines the essential criteria mandated by the county to launch a comprehensive "Study Area" program delegated to a consultant, the basis for the South Livermore Area Plan. It served to direct all future planning policies. The South Livermore Valley Study is the archetype of all future planning agendas based on environmental attributes: land, water, soils, wine grapes, fertility, micro-climates, air quality, etcetera. An inventory of all data was used to map out a landscape geared to agriculture: the Specific Plan. The study also addressed the fundamental issue of compensation to landowners in order to retain lands for agriculture. It devised a number of strategies based on a Transfer Development Credit system, which has been used elsewhere in the country but not thoroughly tested in California, where zoning and the art of "planned unit development" reign supreme in most local jurisdictions. This study was the first constructive attempt to find a fair and equitable balance between conservation and development of the remaining agricultural and open space lands present in the South Livermore Valley.
The problem obstructing such efforts has been in the nature of competition between cities and the county over unincorporated lands, the geographical locus of most of the large agricultural landowners. Historically, property owners resent government telling them what to do with their land. Therefore, the study attempted to prepare defensible strategies to compensate landowners and to offer further stimulus aside from the traditional Williamson Act contracts to retain land in productive farming for a period of ten years. This is not a permanent solution to the problem. It only serves to keep property in a tax-sheltered land-holding capacity until such time that peripheral land values determine the course of future agricultural production or potential urban development. The South Livermore Valley has become one of the "urban-rural fringes" of California viticulture where speculative land use decisions will either resolve pending conflicts or generate more "tug-of-wars" between farmer and developer and between a city's sphere of influence (in the interests of local control) and the county's control over unincorporated lands. A study area designation will not resolve them, but prioritizes issues to be addressed in a public forum where all have an opportunity to argue their case or defend alternatives.

What distinguished the South Livermore Valley Study is the fact that the consultant did not depend solely upon his own wisdom and experience, but incorporated a delegated Citizens Committee as part of the evolving policy-making agenda. Landowners and wine industry leaders, citizens and farmers alike were invited to join in the planning process in an attempt to delineate the land use priorities in accordance with a range of cultivable vineyard criteria. Ranchers still make up the largest landowners in the area and some have resisted any efforts to subdivide their land for houses.
While there has been much discussion about what constitutes the best soil types for wine grape growing, local experts as well as old-timers have testified that wine grapes can be grown almost anywhere in the Livermore Valley. The perception is that this region is among the most viable and versatile grape-growing areas anywhere in California, but which has been taken for granted for the past hundred years as simply good white wine country. In fact, all varieties of white and red wine grapes have been grown in the Livermore Valley, reflecting the various cultural preferences of the original settlers, from German (Riesling) to Italian (Trebbiano). This is what makes the Livermore Valley a rich and colorful history. To relate these preferences to the present state of viticulture in terms of what kinds of grapes to grow on what types of soil does not easily fit into any one scheme. Hence, what is fertile soil for one farmer may not be suitable for an aspiring viticulturist. All is relative to the intended use of the land. The perception of quality is a product of experience. The best the South Livermore Study could do is to designate lands as either "cultivable" or "non-cultivable", provoking a range of public opinions.

Chapter Three addresses all the outstanding issues and criteria of planning the vineyard and other areas in the "plan area" towards attaining the objectives of the "South Livermore Valley Area Plan - Environmental Impact Review" (EIR). While there have been various scenarios offered for development in the South Livermore Valley, there is only one plan which attempts to direct both the urban land use policy objectives as well as a maximum attainment of vineyard lands to double the present acreage. Only a suitable level of development is estimated for reaching these objectives, nothing more and nothing less. This has required several years of drafting mitigation requirements and setting numerical limits on one type of development or another.
Only some retail and residential projects which generate fees (a minimum of $10,000 per acre or per dwelling unit) and that are conditional on dedicating vineyards in easements would be approved. The Ruby Hill Project will be central to all future development and wine-related uses since it is projected to attract investment and reinvigorate the industry on a more regional basis. Having doubled the acreage for viticulture, the plan serves to establish a target level of development commensurate with a redeveloping wine region, at once supporting it and self-mitigating as well. The terms of mitigation also offer a "bonus" to give landowners options.

Chapter Four portrays the culmination of all efforts toward legitimacy in the establishment of an Agricultural Land Trust. The trust will be unique in both its composition and implementation, serving viticulture primarily while also serving as a working model for any future county-wide General Land Trust. It will rely almost solely upon the generation of mitigation fees from the Ruby Hill Project and as such will be carefully supervised and monitored for strict applications, which are non-political or self-serving.

The land trust will serve as the working agenda for execution of the South Livermore Valley Area Plan. Without it, there will be no plan. In fact, it is required as part of the legal settlement arising from the Ruby Hill litigation: the county, the cities of Livermore and Pleasanton, and the developer. The land trust is permanent and will establish conservation easements in perpetuity. Furthermore, just as the plan will be monitored per public policy requirements, so will the land trust carefully monitor itself and the management of its many easements. The total land trust fund is projected to be in a range of $12-18 million, making it one of the richest in the country.
Chapter Five is a summation of all policy objectives with commentary from representatives of the local population, citizen and politician alike. The future of the Livermore Valley is now intimately tied to the workability of the plan as drafted in its final form, which was finally approved for adoption by the County Board of Supervisors early in 1993, almost five years after the initial study first addressed the issues. It will probably take another five years to assess its full impact upon the landscape, once the land trust is in place and hopefully the local economy is such that it will in fact generate enough funds to meet the goals of maximizing the extent of viticulture in the Valley. Only then can the plan be declared successful, but this will also depend on certain economic adjustments attending the restructuring of the wine industry to meet changing conditions affecting both local and regional economic trends in the State of California. Changing consumer tastes and the need to reinvest for a more viable disease and drought-resistant viticulture will require more attention to rootstock matching and in planning new "niche markets" in the region. From the economic facts of life to ecological principles of vineyard land management, the Livermore Valley has an opportunity to serve as a model for the future of the California wine country.

The sources employed in this thesis ranged from historical documents and special collections, such as the California History Room at the Oakland Public Library and the Bancroft Library of the University of California, Berkeley to city and county planning commission hearings and workshops which met in Hayward and the Steering Committee meetings for the Land Trust, located in Livermore. The Livermore Historical Guild and the Livermore-Amador Museum are also important resources.
I have had the opportunity of meeting with dozens of people including members of Friends of the Vineyards, the Mayor of Livermore and the Chairman of the Board of Supervisors of Alameda County; the staff of Wente Bros. Winery and some of the most experienced winemakers in the region. The bulk of documentation used is derived from the two principal studies: the South Livermore Valley Study (The Initial Study) and the South Livermore Valley Area Plan (EIR), the latter which constitutes both the draft and the final environmental impact report, with public review. Other reports were cited, such as the economic study by a leading consultant; and other dated materials done by graduate students. Several theses were also cited. Newspaper articles were accumulated to keep abreast of all current developments and opinions, such as the Livermore Independent, a weekly newspaper with a long history of commentary on local land issues. Telephone interviews were conducted for a direct and timely response to issues. Remarks were also solicited from representative spokespersons for incorporation in the thesis who have played a significant role in the evolution of the plan. I am indebted to all for their timely contributions.

Finally, one of the intentions of this thesis was to communicate information as well as ideas, by way of graphic presentation which serves to lend clarity as well as color to an otherwise black and white legalistic presentation. This thesis attempts to view all the political and legal ramifications of a major land use plan in the real world where geography is the playing field for competing forces and ideas in the competition for living space and open space. The South Livermore Plan is the final alternative agreement to a host of geopolitical scenarios. The best way to show the plan as a real structure is through the use of maps; both geographic and schematic.
Maps, pictures, charts and other graphics are used to portray the reality of the plan as a workable document intended for real world applications, not just a technical manual of planning methods and codes. This thesis is an example of applied geography which treats problems of land use litigation. My hope is that it will serve both professionals and the public interest. (NOTE: Certain terminology and key words are underscored for emphasis. Terms such as "cultivated agriculture", used in the documents, may be in quotation.)

This thesis afforded me the opportunity to learn how the citizenry of a local, small but otherwise dynamic community actually work together to solve problems in a rapidly changing environment. It also represents a kind of journalism which attempts to address the questions of who, what, where, when, and why. Therefore, it purports to be a case study which accounts for all these inquiries. All available sources were cited, ranging from attending public meetings to telephone interviews. The intent was to comprehend the entire range of ideas affecting the future of the historic Livermore region. A conceptual framework was also employed to develop geographical themes within a spatio-temporal context. Outlined as follows, each chapter serves to guide the progression of events leading to several conclusions:

1. Historical Geography - describes the total setting;
2. The "Study Area" - defines boundaries, criteria;
3. The "Area Plan" - delineates policy and goals;
   [Chapters 2 and 3 establish a political geography]
4. The "Land Trust" - establishes a legal geography;
5. Future of Wine Region - outcome of all planning goals in combination with economics and viticulture.

Even as this thesis has developed, Livermore's wine region is being revitalized and the future landscape is taking shape.

- 12 -
After many dormant years of being a rather sleepy little bedroom community, Livermore has now awakened to a new challenge and high expectations. In effect, it represents a microcosm for the rest of California in its policy deliberations and public debate over some rather strenuous land use issues, questions of domain and control over environmental resources having a significant geographical dimension that shape the local political scene. The fact that this community has succeeded after so long should guarantee that it has for once achieved a regional identity and is not just building upon a parochial past.

With this thought in mind, this thesis is dedicated to Livermore Valley's future, one which will be guided by a plan. It is a plan over five years in the making. It should last another 100 years. It may well represent a model for California land planning for the next century, including the foundation for a new wine country, which also preserves a lasting heritage. Livermore Valley is now working on a new self-image: secure in its present, with a sense of the past instilled in its wines, and a vision of the best of all possible wine-making worlds.
CHAPTER ONE: Historical Geography of Livermore Wine Region:
1.1 The Geographical Setting

Geomorphology

California can be divided into a number of geological regions called physiographic or geomorphic provinces. Livermore Valley is geographically situated in the Coast Ranges, a province about 400 miles long and 50 miles wide between the Pacific Ocean and the Central Valley. The coastal range geological structure is composed mainly of late Jurassic formations and their topography is largely controlled by folds and faults. This coastal range formation has been a complex process spread over a considerable time period from the middle part of the Miocene to mid-Pleistocene (~0.5 million years B.P.). [Hinds 1952:9] [ Map 1.1 ] { 1 }

The Livermore Valley proper, about 14 miles wide (east to west) and from 5 to 8 miles long, is roughly triangular in shape and is flanked by rolling foothills and low mountains, from which other valleys open into it. Livermore valley's geology developed in an east-west trenching syncline, a trough that is asymmetrical in form but becomes more nearly symmetrical in the eastern portion of the valley. The primary rock structure, known as the Franciscan formation, is immediately overlapped by alluvium and gravel of Plio-Pleistocene age called the "Livermore Gravels". On either side of the local stream beds recent terrace deposits in turn cover up the Livermore gravels. [Jenkins, ed. 1951:378]. { 2 }

The southern border of the Livermore Valley is underlain by poorly consolidated cobble gravels, sands, and clays of the Plio-Pleistocene Livermore Gravels. Such coarse deposits are the result of rapid uplift and deformation. The entire synclinal trough which forms Livermore Valley is filled with at least 4500 meters of Plio-Pleistocene nonmarine sediments.
These sediments were deposited in lakes, swamps, and streams with sand, gravel, and clay as their main constituents. The variable nature of these Livermore gravels reflects the history of "an alluvial fan and braided stream depositional origin." Streams have deposited most of the alluvium that forms the soils here. A typical section consists of varying amounts of interbedded gravels and sands with occasional beds of clay. In general, Livermore gravels can be separated into major depositional units reflecting different positions on an alluvial fan. [Ollenburger 1986:27] (3) [Figures 1.1, 1.2]

One 19th century account describes the extent of the Livermore Valley basin at a time when most maps did not even show its geographical position properly: (4)

"To the south of Mt Diablo, the range is depressed in the middle and there is a great valley basin, of probably two hundred square miles or more -- a great plain, once probably an inland lake. It is the Livermore Valley. Livermore Pass is on the east side. The valley is not marked on the maps. It is a great basin, branching off into several valleys -- Calaveras valley, San Ramon valley, etc. -- but the streams do not follow them at present, so great have been the changes in modern geological times." [in Farquhar, ed. 1949:202]

A more concise geological interpretation of the Livermore Valley has been described with particular reference to the valley soils and their distribution:

"... (in Livermore valley), that remarkable basin inclosed (sic) between two branches of the Coast range ... Near Pleasanton, the Coast Range hills are flanked and even capped by gravel conglomerates, which here as well as further up the 'Arroyo del Valle', have largely contributed toward the formation of the valley soils, which are of remarkable depth and easy tillage. The rolling land with the valley southwest of Livermore town has largely a red stiffish loam soil, containing much small gravel; but at the lower points this red soil is overlaid by a dark-colored loam from 6-12 inches in depth." ... (and)
"The soil of the level portion of the Livermore valley appears to be a mixture of the red soils of the hills with the valley deposits, and is noted as an excellent country for hays and cereals, though somewhat windy for fruit culture." More important, however, is the fact that "with a fair supply of lime and considerable depth, when well tilled, these soils promise well for the culture of the grape, now extensively begun in the region." [Hilgard 1884:55].

Describing the broad geographic domain of Alameda County soils in general: "Toward the hills the land becomes more gravelly and lighter colored, and are mingled with bowlders (sic) and rock fragments, and there are occasional tracts of adobe lands at the foot as well as on the hills." In general, soil composition changes from west to east, from the "plains of Alameda" to the eastern hills. Hilgard also observed agricultural capability of Livermore Valley: "The soil of this and of the other valleys that adjoin it is a gravelly loam, very productive, yielding good crops of grain and fruit, among the latter the vine becoming prominent in the upland or hill portion, the level part being too much swept by coast winds for full success." [Hilgard 1884:111].

**Soil structure:**
A distinct relationship exists between the geological formations, landforms, and soil series [Figure 1.3]. In recent geological history the sedimentary composition is made of terrace and valley alluvium, soil material deposited by water and streams and composed of sand, silt or clay. In the southern Livermore Valley, the alluvium contains a relatively large amount of gravel because of deposition by the two largest streams in the valley, the del Valle and the Mocho, and because of the coarser textured soils in the watershed. This thesis considers only the soils of the "terraces, alluvial fans, and flood plains" within the valley drainage basin and their significance to viticulture. { 5 } [ Map 1.2 ]
Map 1.1  Geomorphology of the Livermore Valley

(Adapted from Ollenberger 1986. Reproduced courtesy of CSU-Hayward)
Figure 1.1 Relationship of Geology, Landforms, and Soil Series

Figure 1.2 Historical Sequence of Alluvial Fans
The agricultural and viticultural capability of the southern Livermore Valley is found in the "Livermore" and "Pleasanton" soil series and is based on the Storie Index. The "Livermore" series consist of very deep gravelly soils (somewhat excessively drained) which formed in alluvium from sandstone and shale under a cover of grasses and oaks. Oaks were the predominant trees in historic times. Such soils are used mainly for dry-farmed grain, hay, and wine grapes. In particular, the Livermore "very gravelly coarse sandy loam" is used primarily for wine grapes since it possesses the soil structure (not the fertility) requisite for grape-growing: rapid permeability, deep root penetration; and slow runoff; the erosion hazard is slight. Most all vineyards in the valley floor are located on "Livermore gravelly loam" or "Pleasanton loam"; the former of which is usually on flood plains and recent terraces. Both soils are deep, permeable, and low in fertility; gravel content varies from fine gravel to soil which contains 70 per cent gravel, and considered most suitable to grape-growing. [S.C.S. Survey 1966] {6}

Chemists discovered that the physical texture of the soil is more important than its chemical constituency. In fact, soils which are fertile enough to produce good crops seldom produce good wine grapes. Moreover, sandy soils are not considered to be advantageous to grape-growing, or soils high in humus content. Heavy clays, extremely shallow soils and poorly drained soils are usually avoided. The importance of the Livermore gravels to the viticultural region cannot be overemphasized. The gravelly nature of the South Livermore soil in particular has been called "a national treasure" by one local winemaker. One of the main reasons Livermore Valley was early recognized as a premium region for making fine wines is because of the quality of its soil. A well-drained soil is a qualitative effect often overlooked in California. [Peters 1989:131; Hedrick 1945; Bioletti 1929] {7}
GENERAL SOIL MAP
ALAMEDA AREA, CALIFORNIA

Map 1.2 General Soil Map: East Alameda County
(Source: Soil Conservation Service 1966)
**Climatic regime:**

Hilgard also noted there are "thermal belts" in the coastal regions of California which have a bearing upon crop cultivation. This is important in the sense of local geography, the 'lay of the land'. The main reason for the many diversified "micro-climates" of the Bay Area is geography, and this is the basis for the potential diversity of agriculture. In effect, "agricultural features depend much more upon the topography than any details of geological structure." [Hilgard 1884:8] (8)

Once again, the physical geographic factors are cited with reference to agricultural utilization, and this pertains to other climatological factors. Livermore's climate has been described as "Mediterranean", "Semi-Tropical" and as an area "adapted to the culture of semi-tropical fruits and vines". In viticultural "mesoclimates", Livermore valley has been classified in the moderately warm "region III", but cool enough for the production of some finer grape varieties. "Here can be successfully grown every semi-tropical tree, plant or fruit which can be produced anywhere in California." [Wetmore 1887:45; Amerine and Winkler, 1963] [Map 1.3]

The climate of the Coast Ranges is controlled by the moisture laden winds sweeping on shore from the Pacific Ocean. Temperature variations between day and night are normally small, summers are cool to warm, winters moderately warm, but there can be considerable fog both in summertime and tule fog in winter. From south to north in the province, the temperature variations increase, there is greater contrast between summer and winter, fog is more frequent and lasts longer, and rainfall increases. Livermore Valley is situated between the maritime influences of fog and moisture and the dry interior of the Central Valley.
If one considers the coastal region as distinct from other California regional climates (cool summers and warm winters, with cool and moist westerly winds predominant in the climatic regime) one may further subdivide this into the "Region of San Francisco Bay" (southward to Santa Cruz), with from 20 to 25 inches of rainfall annually; practically no summer showers, and no large-scale irrigation. Snow is exceptional, but light frosts may occur for several weeks in winter. [Hilgard 1884:18]

Of all the natural factors determining land suitability for vineyards, climate is most important. Temperature is the most limiting factor governing the grapevine. It has a direct influence on the chemical composition of the grape, most important to wine production. The constituency of the grape develops to its highest perfection by a relatively slow, even ripening which, in turn, is caused by even, moderate temperatures. Owing to the wide temperature range in California, north-south as well as east-west, and California’s tolerance of vinifera this state has been able to profit from the centuries of experience and experimentation with wine grapes in Europe. [Leggett 1939; Bioletti 1929] {9}

The climate is fairly uniform throughout Livermore Valley, with most of the valley in Region III, although the Vineyard Avenue area to the east into Pleasanton is somewhat cooler and falls partly in Region II. Other factors to be considered are the possibility of late frost and wind damage. This makes the southern portion of the valley the optimal location. In this southern domain, grapes have not been grown above 1000 ft.; but this altitudinal limit is not fixed. In modern-day California viticulture, grapes have been grown even at 2500 feet. in the foothills of the Sierra Nevada. {10}
Note: By subtracting 50°F from the mean temperature for each day within this period, and by adding algebraically the quantities obtained, the resultant sum is equal to the degree-days for the growing season. The earliest grape varieties require about sixteen hundred degree-days to mature, while the need for others approaches four thousand degree-days.
Figure 1.3  Alameda County / Livermore Valley Temperature and Rainfall

All wine grapes are selected from the *Vitis vinifera* species and distinct from all native varieties. *Vinifera* grapevines require long warm to hot, dry summers and cool winters. They will not survive in areas with humid summers or intensely cold winters. Grapes will not ripen in areas of frequent fogs; heavy fogs occurring near the end of the season may cause mildew. The optimum time for rainfall is in autumn, winter and early spring. Precipitation should be well distributed. Irrigation has been common over large areas of California. Exposure to sun and wind is also important to the well-being of the vine as well as heavy rainfall during the spring and early summer. Overexposure to the sun will cause excessive transpiration of the vine and sunburning of the fruit, trunk, and cane. Strong winds may injure or break new shoots in early spring and hamper the fruit set. Heavy rainfall injures vine growth, and is harmful after the fruit set because of potential mold. For all these reasons, South Livermore Valley assumed a distinct position in the historiography of wine production owing to its adapted environmental conditions.

Such conditions favored agriculture and invited people to settle. Wheat-growing became big business, but vineyards gradually replaced the wheatfields, encouraging more settlers to locate in Livermore Valley. The *Thompson and West Atlas* of 1878 quoted one resident who described Livermore as a very hospitable place:

"the most perfect combination of sunshine and cool breeze, the most happy compromise between the heat which exhausts and the cold which fetters, between the dryness which parches and the dampness which chills may be found here."  [Thompson and West 1878:16]
Livermore enjoyed a singular reputation in California, by the standards of the Livermore Board of Trade: [1887:5]

"... nestled in the very heart of the Coast range ... There is no extreme, either of moisture or drought, or heat or cold. A mountain-sheltered basin ... it escapes the fogs and cold of the Coast, the great heat of the interior, the deluging storms of the extreme north, and the drought which makes a desert of the South."

The Central Valley comprised one-third of the agricultural lands of the state as long ago as 1884, yet the coastal region was very productive in arable land cultivated in the leading crops of the time. Alameda County was representative of the crop statistics compiled. As of 1884, 47 per cent of the 660 square miles of Alameda County was under cultivation, ranking third in the state. The chief activities were wheat growing and pasturage on the hills. Cattle and grain were dominant since only a few favorable locations had enough water to support more intensive crops. To date, cattle and grain have been the dominant land uses in the hills while in the valley crops such as vegetables, grapes and flowers, important since the 1880's have declined since World War II. Livermore Valley was once the agricultural center of Alameda County though in the past 50 years it has become integrated with an urbanized East Bay area. Alameda County gained an early reputation as one of the State's leading agricultural and viticultural areas, especially Livermore Valley:

Alameda County, and especially Livermore Valley, ... made the most formidable progress in the general rivalry for the production of the higher types of fine table wine. The distinction of the highest types of merit that were accorded to this now famous district by Paris Exposition of 1889, must be considered evidence of superiority of climatic conditions and adaptability of soils ... as well as the wine maker's skill and careful methods of making, treating and ripening their products. [Gibson 1969:55]
Wine quality can be attributed to the viticultural environment, the grapes used to produce the wine, and the people who make the wine. The success of the Livermore Valley as a premium wine district illustrates all three of these factors. The 19th century plantings of good grape varieties, especially the white wine grapes of Semillon and Sauvignon Blanc from the Sauternes district in France produced wines of high quality. This fact, as well as the cultural perception of Livermore Valley as typical of California as a "vineland", led many people to settle here and establish themselves with hopes of becoming prosperous by producing the finest wines.

1.2 Historical Settlements: Mission, Rancho and Land Grants

The long history of grazing in the Livermore Valley is tied to the activity of the "mission lands" of Mission San Jose'. The principal land use for over a hundred years was dictated by the Mission, and San Jose', the leading mission in the Bay area. Similarly, the history of viticulture in the Livermore Valley has its roots in the mission period.

The Livermore Valley was part of Mission San Jose' lands and known then as the "Valle de San Jose", grazing grounds for the cattle herds of the Mission. Livermore Valley was also on the main route from the San Francisco Bay area to the interior. Future occupation and settlement of the valley gave the Mission more protection over its lands.

Viticulture in Alta California began with introduction of the Franciscan missionaries at San Diego in 1769. The origins of grape-growing in what became Alameda County may be traced to the founding of Mission San Jose' in 1797. Padres planted the first vines which they brought from Mission San Diego. { 11 }
One European visitor in 1806 recorded that "wine growing" existed at that early date and that "Alameda County" was distinguished for wine quality: "Some vineyards have been planted within a few years, which yield excellent wine, sweet, and resembling Malaga." Under Padre Duran the Mission quickly rose to fourth place in grape growing among the 21 California missions; earning 'first place' reputation for the excellence of its wines and brandies. Duran supplied grapes to other wine presses, notably Mission Dolores of San Francisco. [von Langsdorff, 1813; Halley, 1878]

Such a reputation established the linkage of the "coast region" and the vine. During and after "Mission" days, many of the Mexican grantees grew grapes within the limits of Alameda County. An American traveler, Edwin Bryant, reported cultivated grapes on the rancho of Antonio Maria in 1846. [Bryant 1878:279] [Halley, 1878]

It was thought Livermore valley:

"was good for only grazing land. Livermore, however, proved that this was not so. He planted a vineyard, and he set out pear trees and olive trees near his home. He dug a ditch from Las Positas Creek so that he could water his trees. By bringing water to his land he was able to prove that the soil of the valley was good for many crops." [Rowley 1931:8]

DeNier [1927:14] observed the "rancheros, when locating ranchos also planted small vineyards and orchards." There has been discussion about exactly when Livermore planted grapes on Rancho Las Positas, near the town which bears his name, as early as 1844. They were probably the typical Mission grape. Elias Beard acquired 30,000 acres of the secularized Mission lands, including its vineyard in 1845 and became the County's "first large-scale grape grower". Beard, a New Yorker, together with his sons, is credited with reviving the Mission's agriculture which apparently fell into neglect.
In 1851 gross receipts from the vineyards were $16,000, "A respectable sum in those days" [See McKee 1953]. Beard was elected vice president of the "California Agricultural Society" in 1854. The Society prospered for another twenty years. Pioneering efforts by Livermore, Pike, Beard, and Wente became influential in directing the future of Livermore Valley away from grazing and wheat growing in the 1850s towards a more specialized practice of viticulture in the 1880s. [Bancroft 1890:Vol.7; Halley 1878:33] [Chart 1.1]

Near the Mission, a Joseph F. Palmer laid out the "Peak Vineyard" in 1852, with 100,000 cuttings imported from Europe; the first non-Mission vines known to have been planted in what is now Alameda County. By 1874, Palmer had 140,000 vines, all but 10,000 of them imported. His was reported to be "the best and most extensive winery in the County." [McKee 1953:20] A local historian noted in 1876: "Nearly all the farmers in Washington Township grow more or less grapes." [History of Alameda County 1883:817]. Of Alameda County's 1,125 acres of vines, most were in the vicinity of the Mission San Jose.[Halley 1878:486]

The history of land grants and "ranchos" are critical in changing land uses, delimiting the area's range of crops until Livermore Valley developed into a "wine district". One of the many social and economic institutions for the development of 'primitive' areas in California was the "rancho". In size a rancho varied from a square league, about 4439 acres, to four square leagues, and under special conditions might be up to eleven square leagues. The granting of ranchos was first restricted to men who had rendered great service to the king during the Spanish era. The grant came with many conditions and was a special gift, not a common practice. Lands most desirable for ranchos were provisionally granted to missions, presidios and pueblos. {12}
Ranchos granted after 1822 had to be repossessed by the Mexican authorities before redistributed as land grants. [Stuart 1966:39; Hornbeck 1983]

Ranchos varied greatly in size and nature but were all essentially a unit of land and became in reality small "principalities." Often "... it was a pocket of land, framed in by the hills. It should, of course, have a home site and there must be a nearby water supply. Then, there should be brush or trees for fuel. ... there should be pastureland and a small plot for an irrigated garden." [Stuart 1966:40] Such was "Rancho Las Positas" land grant eventually the home of Robert Livermore, whose family settled in the eastern end of the Valley. Livermore built his first house beside a stream that had many springs along its banks. On the earliest map, made by the padres at Mission San Jose' (in 1824), the springs are marked "Posos del Valle". The name of the rancho refers to the "springs". Each rancho developed its personality and reflected both Spanish heritage and the character of the settlers. [Figure 1.4 and 1.5] {13, 14}

The most far-reaching series of developments in the county's wine history was initiated in 1881. Dr. George Bernard set out the "Bernard Vineyard" of 28 acres, located 2 miles southeast of Livermore. Five years later, enlarged to 50 acres, an interest was acquired by Carl H. Wente (born in Hanover, Germany), who had worked for Charles Krug, the famous wine-producer in Napa County. In 1896, Wente bought 446 acres in Livermore, on which he set out 100 acres of vines. By 1914, he owned 300 acres of grapes. At his death in 1934, his two sons inherited the business and established the Wente Bros. Winery, the oldest winery still operating in Livermore Valley. This landmark remains distinctive for being family-owned, varietal-producing and estate-made wines. [Wente: undated] {15, 16}
Figure 1.4 Ranchos of the Livermore Valley. In the original applications, rancho boundaries were identified by natural features; there were no surveyors and no need for precise definition. The landmarks would be old trees, stream beds, range of hills or someone's home.

Figure 1.5 Livermore's Rancho Las Positas: Diseño and Vineyards
**Chart 1.1  Historical Timeline of Land Use in the Livermore Valley**

<table>
<thead>
<tr>
<th>Period</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1770s to 1840s</td>
<td>Grazing (Mission land)</td>
</tr>
<tr>
<td>1840s to 1870s</td>
<td>Wheat-growing dominates</td>
</tr>
<tr>
<td>1856</td>
<td>&quot;J. Livermore's Experiment&quot;: First large-scale wheat cultivation on 160 acres.</td>
</tr>
<tr>
<td>1867</td>
<td>4000 acres of wheat cultivated - Livermore principal &quot;grain district&quot;</td>
</tr>
<tr>
<td>1880s to 1920s</td>
<td>Grape-growing dominates</td>
</tr>
<tr>
<td>1882-1883</td>
<td>Cresta Blanca, Wente, and Concannon Wineries established</td>
</tr>
<tr>
<td>1893</td>
<td>Over 5500 acres in vineyards</td>
</tr>
<tr>
<td>1911</td>
<td>Acreage reduced to 2500 acres in vineyards</td>
</tr>
</tbody>
</table>
1.3 The Livermore Wine District: A Viticultural Landscape

The development of the Livermore Valley vineyards into a wine district, the "Sauternes district of California" is attributable to extensive plantings in fine European wine grapes, the early specialization in white wines, and the vested interests of the vinters and wine merchants of the valley. The 1880s were a decade when the Livermore Valley gained an identity and a style. It became known in social circles as a community of vigneron (a 19th century characterization of wealthy grape-growers). Wine acreage tripled in less than ten years, dominating the valley landscape around Livermore. The role of the wealthy growers, who attracted other vintners and skilled craftsmen cannot be underestimated. [Table 1.1] [Plate 1.1] {17}

The part-time viticulturist did little to develop the Livermore valley wine district, while the owner of a vineyard of 40 acres of fine wine grapes, such as C. Wente, J. Concannon, or Louis Mel, supplied grapes and wine in bulk to the better merchants and wineries, and were...the foundation of the Livermore valley wine industry. [Gibson 1969: 50].

Yet many small grape growers were attracted to the area by optimistic reports that "20 acres of vines in the Livermore district would support a family in comfort." [Wetmore 1887] Theoretically, "this was possible if the farmer planted the best sauterne grape varieties, which sold for $50 a ton ... and obtained the maximum yield of 6 tons an acre." [Livermore Board of Trade 1887:34] Vineyards of less than 20 acres included land in wine, table and raisin grapes. By 1893, large grape-growers with over 1600 acres were firmly established in the Livermore Valley. Even the number of smaller vineyards totalled over 2000 acres; more grape acreage than in 1980! [Tables 1.2, 1.3] {18}
The literature depicts the Livermore Valley as a delimited agricultural landscape readily adapted to the environment.

"The Livermore Valley, therefore, is a part of California especially adapted to the production of a certain, fairly specific type of wine, full-bodied, mild, white, to be sure ... ."

The soil was part of the perception of the Livermore Valley:

"This is the soil not for lavishly profitable crops, but for Semillon, Grey Riesling, Sauvignon Blanc, White Pinots and other plants which must live plainly,... White wine country, this."

[Jones 1949: 155] [Schoonmaker 1941:111] [Figure 1.6]

The pioneers recognized the diversity of Livermore's soils and climate presenting the opportunity to expand viticulture on a landscape dominated by grain, hay and the raising of livestock. Editors of the Livermore Herald perceived a future wine industry in 1881: { 19 }

A few sanguine spirits have for many years past held to and expressed the belief that the soil and climate of the Livermore Valley and its surrounding hills were specially adapted to the production of the grape and that at some point in the dim and misty future our vast wheat fields would be dotted with vineyards. ... we predicted (in 1878) that within ten years the wine and raisin industries would closely encroach upon, if not ... equal in size, the wheat-growing industry in this valley. This prediction wild as it then appeared, seems likely to be verified.

Until 1881 no settler dreamed of another industry getting a foothold on the estimated one million acres of land. The "Livermore Wine District" would be appraised for its grape-growing attributes, ranging from soil to climate:

There is every variety of soil, from the rich loams of Holland to the calcareous vinelands of France, and the well-drained olive lands of Italy, with a climate which only southern Italy can approach. Here are... produced the noble vines of Medoc and Sauterne, of Burgundy and the Rhine" [Livermore Board of Trade, 1887:6]
Whereas Elias Beard set the stage for large-scale plantings in the district, the first systematic plantings of the so-called "high grade" from cuttings imported from France began in 1882 [Colburn 1889: 155]. Joseph Black, a Scottish pioneer, is credited as the first resident to realize the potential of making the Livermore Valley a community of grape growers and became the President of the Vine Growers Association. A large tract of land along Arroyo del Valle was offered for sale, and the bulk of vineyards was established along the banks of the arroyo, from Pleasanton to two miles south of Livermore. Black owned large properties in Livermore and Pleasanton. Some 200 acres was cultivated by 1889.

The most extensive plantings were that of Julius P. Smith, who purchased a two thousand acre ranch for cultivating four hundred acres of grapes, ten acres of olives and several acres of orchards. Smith invested in 450,000 of the choicest vine cuttings. He christened it the "Olivina Vineyard", for both olives and vines. It remains one of the historic winery attractions of the Livermore Valley. In 1881, 1095 acres of vineyards were planted, including 400 acres at Olivina; owners and investors totaled twenty-one. [Livermore Herald 1881] Between 1880 and 1884, over 4000 acres of grapes were planted. [Westover 1911] In 1892, 121 vineyards covered almost 4400 acres. [Bundschu 1893] {20}

By 1893 there were 156 vineyards in the valley occupying over 5500 acres. [Newton 1983:4]. A more representative sample of the Livermore Valley vineyards is shown in Table 1.3. Around 1900, at its height, viticulture covered almost 5500 acres in Livermore; possibly over 6000 acres county-wide. One winemaker even estimated that Livermore Valley had 20,000 acres at its peak! This is now considered an exaggeration based on favorable reports of grape production in the County, not just for the Livermore valley area. [Welch 1982] {21}
Table 1.1  **Geographic Area, Population, Tilled Land and Leading Crops - 1884**  [Coast Range Region]

<table>
<thead>
<tr>
<th>County</th>
<th>Land Area</th>
<th>Population</th>
<th>Crop Production*</th>
<th>Vineyards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sq. Mi.</td>
<td>Total Acreage/Bushels**</td>
<td>Acres</td>
<td></td>
</tr>
<tr>
<td>San Francisco</td>
<td>40</td>
<td>283,900</td>
<td>395</td>
<td>3940</td>
</tr>
<tr>
<td>San Mateo</td>
<td>440</td>
<td>8,689</td>
<td>8,900</td>
<td>714,580</td>
</tr>
<tr>
<td>Contra Costa</td>
<td>800</td>
<td>12,522</td>
<td>28,880</td>
<td>1,807,720</td>
</tr>
<tr>
<td><strong>Alameda</strong></td>
<td><strong>660</strong></td>
<td><strong>62,976</strong></td>
<td><strong>77,685</strong></td>
<td><strong>1,904,920</strong></td>
</tr>
<tr>
<td>Santa Clara</td>
<td>1400</td>
<td>35,089</td>
<td>68,700</td>
<td>1,381,080</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>420</td>
<td>12,802</td>
<td>20,650</td>
<td>533,240</td>
</tr>
<tr>
<td>Monterey</td>
<td>3520</td>
<td>11,302</td>
<td>108,250</td>
<td>1,708,175</td>
</tr>
<tr>
<td>San Benito</td>
<td>990</td>
<td>5,584</td>
<td>42,980</td>
<td>1,038,300</td>
</tr>
<tr>
<td>San Luis Obispo</td>
<td>3460</td>
<td>9,142</td>
<td>21,720</td>
<td>406,245</td>
</tr>
<tr>
<td>Santa Barbara</td>
<td>2200</td>
<td>9,513</td>
<td>35,280</td>
<td>635,690</td>
</tr>
<tr>
<td>Ventura</td>
<td>1690</td>
<td>5,073</td>
<td>45,800</td>
<td>818,570</td>
</tr>
</tbody>
</table>

* Total agricultural production in wheat, barley, corn and oats.
** Figures rounded off to nearest tenth; per Alameda County enumeration data.

[Source: Hilgard 1884:3]

---

Table 1.2  **Major Vineyard Parcel Sizes, Livermore Valley, 1893**  (100 acres or more) and **Vineyards in 1980** (10 acres or more)

<table>
<thead>
<tr>
<th>Name/Owner</th>
<th>1893 Acreage</th>
<th>Name/Owner</th>
<th>1980 Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jas. Altschul</td>
<td>100</td>
<td>Taylor</td>
<td>10</td>
</tr>
<tr>
<td>C.A. Buckley</td>
<td>100</td>
<td>Steven Kalltoff</td>
<td>17</td>
</tr>
<tr>
<td>J. Crellin and Sons</td>
<td>220</td>
<td>Chris Lagiss</td>
<td>24</td>
</tr>
<tr>
<td>A. Duvall</td>
<td>140</td>
<td>George T. Wisner</td>
<td>28</td>
</tr>
<tr>
<td>E.R. Lilienthal</td>
<td>185</td>
<td>W.H. Detjens</td>
<td>77</td>
</tr>
<tr>
<td>Julius P. Smith</td>
<td>660</td>
<td>L. J. Raboli</td>
<td>93</td>
</tr>
<tr>
<td>George True</td>
<td>100</td>
<td>James Concannon</td>
<td>176</td>
</tr>
<tr>
<td>John H. Wheeler</td>
<td>120</td>
<td>Stony Ridge</td>
<td>356</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,625</strong></td>
<td>Wente Bros.</td>
<td><strong>1,620</strong></td>
</tr>
</tbody>
</table>

Total other Vineyards >2100

* Total Acreage >3,800 Total Acreage 2,494

* 1981 figures

[Source: Welch, Livermore Valley Vineyards Study 1982]
Table 1.3 Vineyards in Alameda County – 1892 *

<table>
<thead>
<tr>
<th>Size in Acres</th>
<th>10 or less</th>
<th>11-25</th>
<th>26-50</th>
<th>51-100</th>
<th>&gt;100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>45</td>
<td>33</td>
<td>22</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Acres</td>
<td>258</td>
<td>615</td>
<td>782</td>
<td>1045</td>
<td>1650</td>
</tr>
</tbody>
</table>

Total number: 121  Total acres: 4350

* [Source: Bundschu, 1893; condensed and rounded off.]

The Olivina estate included 675 acres of vines by the turn of the century. Another extensive vineyard was Chateau Bellevue, just west of Olivina Vineyards. It was an impressive operation, with three separate wine cellars and 180 acres of choice vines. Alexander Duval, the owner, was among a group of French merchants and growers who settled in Livermore. He imported the vineyard stock and wine-making facilities from France. This European influence added to the "romantic" view of wine-growing. Foreign interests were important to the new "wine district", and added momentum to the Valley's growth.

From the beginning, plantings in the Livermore Valley were predominantly of higher-grade European varieties. This reflects the fact that Livermore Valley was selected owing to its proximity to other northern California wine districts, as well as the belief that its soils and climate were favorable for the production of fine wines. Once viticulture was established in Livermore Valley, "the direction it was to take depended on the practices of the men involved -- the growers, vintners and wine merchants." [Gibson 1969:42]
Gibson [1969:14] has described the historic "vineyard belt" as comprising two fairly distinct areas: the first being south of the city of Livermore, located on recent stream terraces and the second located on the higher terraces and low hills south of the Arroyo del Valle and in the canyon of the arroyo. In size and extent of area, the vineyard belt could be delimited as a narrow band of primarily gravelly soils about two miles wide and five miles long, located south of Livermore and adjacent to both Arroyo Mocho and Arroyo del Valle. This is the geographical focus of viticulture in the south Livermore Valley, now popularly known as the "Fertile Crescent". It stretched from two ends marked by two of the most important historic vineyards in the valley, Cresta Blanca and Ruby Hill, both of which were vital to the future identity and integrity of the Livermore "wine district". However, an important aspect of valley viticultural history is the fact that until recently, the vineyards near Pleasanton would have been a "third subdivision" of the district, since vineyards there were on different soils of different grape varieties. [Plate 1.1]

1.4 The "Ruby Hill" Vineyards and Winery
"The recent abandonment of these vineyards has made the Livermore Valley wine district a more homogeneous area." [Gibson 1969:14] This abandoned historic vineyard was the home of the celebrated Ruby Hill winery, established in 1883 by J. Crellin and sons as the Ruby Hill Vineyard Company and described as an "outstanding example of winery architecture which is situated among vineyards on the sloping terrace of Arroyo del Valle." [Livermore Herald 1896; Gibson 1969:15] Ruby Hill, like Cresta Blanca, proved to have exceptional vines and became one of the most important wine-growing areas, devoted primarily to the cultivation of red wine grapes from Europe.

- 38 -
Ernest Wente recollected:

"many individual vineyards consisting of 20, 30, 40, and 50 acre plantings...northside of (Vineyard Avenue)...on the southside, the Crellin family had 340 acres and a beautiful winery built out of bricks, called Ruby Hill."  [Wente:Undated:17]  [Table 1.4]

Ruby Hill vineyards were productive until 1983. At that time, between 150 and 180 acres were planted in Semillon, Sauvignon blanc, Chardonnay and Zinfandel grape varieites. Only a small acreage red wine grapes was planted in the Valley and they were located here primarily in the hills above Pleasanton; but these grapes were then at a competitive disadvantage. Some of the vines bordering Vineyard Avenue were in excess of 90 years old at the time of being uprooted. Unfortunately, a unique Ruby Hill "clone" of the Zinfandel grape was removed at the same time the vines were being pulled out of production and lost forever. These vineyards were abandoned in 1983. Ironically, the abandonment of Ruby Hill would lead to land use issues and focus on the viability of viticulture in Livermore Valley. [Welch 1982] {22}

Like Cresta Blanca, Ruby Hill became famous for its wines, while many other fruits were raised, at a time when during the 1880s grape vines and fruit trees began replacing the grain fields in the Livermore Valley. Viticulture became the dominant land use in a remarkably short period of time. It typified the agricultural landscape of the area, and was symbolic of the aspiring vintners and wealthy wine merchant. As Gibson has pointed out, during the 1880s, "a number of relatively rich men established vineyards and wineries in California, partly for investment purposes or for a desire to have a country estate, and partly in competition with each other to produce fine wines."  [Gibson 1969:46]  
[Tables 1.4 and 1.5]  [Plates 1.2 and 1.3]
Plate 1.1 The Historic Livermore Valley - January 1889
(Photoreproduction courtesy of Livermore Heritage Guild)
- 40 -

Panoramic Scene - Looking Southeast

Historic buildings shown at top, from left to right:
Public School, Washington Hotel, McLeod Block,
Farmers Union Building, Town Hall and Churches,
Livermore Mills, and Livermore College.

W. P. Bartlett, Publisher
Plate 1.2  **Ruby Hill Winery** (c. 1889)
(Reproduced courtesy of Livermore Valley Historic Museum)

Plate 1.3  **Historic Ruby Hill Building - Present Day**
(Reproduced courtesy of Signature Properties)

- 41 -
<table>
<thead>
<tr>
<th>Vineyard / Winery</th>
<th>Total Acres</th>
<th>Winemaker</th>
<th>Geographical Setting / factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vienna Vineyard</td>
<td>100</td>
<td>No</td>
<td>Vineyard: Low lying</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: <strong>red gravel</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: southwest</td>
</tr>
<tr>
<td>Lomitas Vineyard</td>
<td>195</td>
<td>Yes</td>
<td>Vineyard: low lying</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: gravelly loam</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: west</td>
</tr>
<tr>
<td>Mont Rouge Vineyard</td>
<td>63</td>
<td>Yes</td>
<td>Vineyard: low lying</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: sandy loam</td>
</tr>
<tr>
<td>Concannon Vineyard</td>
<td>57</td>
<td>Yes</td>
<td>Vineyard: low lying</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: gravelly loam</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: west</td>
</tr>
<tr>
<td>C.H. Wente Vineyard</td>
<td>48</td>
<td>Yes</td>
<td>Vineyard: low lying</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: gravel and black loam</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: wind-southwest; sun-east</td>
</tr>
<tr>
<td>Olivina Vineyard</td>
<td>661</td>
<td>Yes</td>
<td>Vineyard: upland</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: red sandy and black loam</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: west</td>
</tr>
<tr>
<td>George True Vineyard</td>
<td>95</td>
<td>Yes</td>
<td>Vineyard: upland</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: sandy loam</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: northwest</td>
</tr>
<tr>
<td>Cresta Blanca</td>
<td>42</td>
<td>Yes</td>
<td>Vineyard: upland</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Soil: black gravel and red clay</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: southwest</td>
</tr>
<tr>
<td>C. A. Buckley</td>
<td>100</td>
<td>Yes</td>
<td>Vineyard: low lying, rolling</td>
</tr>
<tr>
<td>(Ravenswood Winery)</td>
<td></td>
<td></td>
<td>Soil: red sandy loam, gravel</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: southwesterly</td>
</tr>
<tr>
<td>J.R. Crellin and Sons</td>
<td>220</td>
<td>Yes</td>
<td>Vineyard: upland</td>
</tr>
<tr>
<td>(Ruby Hill)</td>
<td></td>
<td></td>
<td>Soil: red sand, black gravel loam</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exposure: sun-east; wind-s.west</td>
</tr>
</tbody>
</table>

* Source: Directory of Grape Growers and Wine Makers of California, 1893
  and McKee, Irving Historic Vineyards of Alameda County 1893
** Total vineyard acreage bearing grapes about 2637 acres as enumerated in census year.
KEY to Wineries:

(1) Cresta Blanca
(2) Ruby Hill
(3) Olivina vineyard
(4) Lomitas vineyard
(5) George True vineyard
(6) Mont Rouge vineyard
(7) Vienna vineyard
(8) C. A. Buckley vineyard/winery
(9) Concannon vineyard/winery
(10) Wente Bros. winery

Figure 1.6 Panoramic Sketch of the Livermore Valley 1889
(Showing vineyards and wineries from Table 1.4)
1.5 The Legacy of "Cresta Blanca" Winery

While Robert Livermore pioneered the first vineyards around 1844 near the town which bears his name "in the Spanish tradition," he did not see a future in viticulture as an enterprise or a way of life. {23}

It was left to Charles Wetmore who realized the goal of winemaking in the Livermore Valley in a European tradition of viticulture. His views and perceptions of the viticultural landscape, imbued with cultural values, are conveyed in "Wines and Vines of California". This classic treatise observed that the geological formation of the valleys and slopes of the Mt. Diablo range nearly reproduce the soil conditions which characterize the:

'Department of the Gironde' in France, more than any other section on the California coast: ...in one promising section is that part of Livermore and Vallecitos Valleys supported by the tertiary and cretaceous hills and terraced table lands flanking the streams known as the 'Arroyo del Valle', 'Arroyo Mocho', and 'San Antonio'. Here every condition known to be essential for the production of the highest grades of wine and brandies, approximating the noblest French types exist." [in Colburn 1889: 154] [Wetmore 1887:23]

Colburn recognized a distinctive climate of Livermore Valley:

"The fresh, saline atmosphere from the Pacific Ocean and Bay of San Francisco, tempered in varying degrees by altitude and proximity to the great interior basin of the San Joaquin provides the golden mean between excessive moisture and aridity, while topographic features indicate the section within this district where immunity from frost and flood may be enjoyed." [Colburn 1889: 155]
Another account describes the geographical advantage and its splendid location which make the Livermore Valley "a typical California Valley", though, in fact, it is atypical of coastal valleys in its east-west orientation:

The Livermore Valley is almost perfect because it enjoys the splendors of Old Sol throughout the year. The ample showers of winter and spring and the abundant cloudless days of summer and fall make the climate of the valley ideal .... The surrounding mountains ... protect the area from the heavy fogs and winds of the bay region and coast." [Rowley 1931: 6]

Three "California Historic Landmark" wineries are located in the Livermore valley. All date from the 1880s and testify to the history of the wine-producing region: Wente Bros. Winery, Concannon Winery (now owned by Wente Bros.) and the oldest, the Cresta Blanca Winery (now Wente Bros. Sparkling Wine Cellars). Wetmore, the founder of "Cresta Blanca" named his vineyards in recognition of a prominent geographical feature the "white crest(ed)" (cliff) on the southside of the valley at the entrance to "Arroyo del Valle", one of the principal "creeks" flowing into the valley. The place name means: 'Seasonal stream of the valley' (note: Arroyo is arabic; and del Valle is typical of the Livermore valley). It usually dries up in the summer months.) Below the Arroyo del Valle was a large alluvial fan on which was planted most of Wetmore's vineyard. Cresta Blanca was remarkable for its geographic setting and beauty. [ Figure 1.7 ] { 24 }

"It is almost cut in half by a high ridge and lies in the heart of the valley and is well sheltered by surrounding hills ... (the) 'white crest' can be seen for quite a distance and is one of the marked features of this singular looking farm ... a portion of Cresta Blanca is devoted to olive culture and there are some fine almond and peach trees..." [Colburn 1889: 158].

- 45 -
Other observations attest to a carefully selected vineyard site: "(He) established his vineyard at the mouth of a wild canyon where the slopes are free from frost" and "... the landscape (was) enchantingly picturesque" [Anon. 1972:3]. All agreed the site had a singular beauty. Wetmore travelled the state in search of the "perfect conditions" to establish his vineyards in order to "test (his theories)" about wine-growing. He did this while doing water surveys for the State of California during the summer months while a student at the University of California, Berkeley. He chose the alluvial fan of the Arroyo del Valle, not only for its "enchanting" geographic location, but owing to the nature of the soil.

Having travelled through Europe, particularly the French vineyards of the Bordeaux region, Wetmore recognized soil characteristics and drainage features favorable to the cultivation of their most notable grape varieties. In studying the French viticultural environs, he searched for the finest grape "cuttings" suitable to the diversity of soils in California. He brought back four varietal cuttings and these formed the basis of the systematic grape cultivation of the Cresta Blanca vineyards. {25}

He proceeded to graft these "priceless cuttings" onto disease-resistant American rootstocks. In fact, everywhere in California, both old and diseased vines were being uprooted and replanted by what were considered the superior wine grape varieties of France, Germany and Italy. {26} More important to Wetmore was that, in his vineyards, "the gravelly soil promised conditions that were essential for producing wines that would at least be on a par with those ... in the Bordeaux region." [Anon. 1972: 3] [Figure 1.8]
Figure 1.7 Location of the Cresta Blanca Vineyards on Alluvial Fan
(Soil map courtesy of Alameda Co. Conservation District)
Wetmore's success as a viticulturist was proven in a few years. From the initial "systematic" planting of the Cresta Blanca vineyards in 1882 to the first harvest vintage in 1884, he produced a distinctive wine which would become world famous at the Paris Exposition in 1889 where he won the "grand prix" for his Souvenir (Sauterne) vinified from the imported European Semillon grape cuttings. The recognition of his newly harvested sauterne gained California, and especially the Livermore Valley, an international reputation.

"... Mr. Wetmore has plowed, planted and builded (sic) well, and his 'Cresta Blanca' wines, especially Medoc and Sauterne, are already celebrated ... he set a good example by boldly tunneling into the ridge which runs near his winery and has rolled the ... fine wine into the storeroom thus provided, there to age and perfect ... in an undisturbed atmosphere."

[Colburn 1889: 166]

Cresta Blanca wines enjoyed a good reputation because they were made especially from the Medoc and Sauterne varieties of French varietals namely Semillon and Sauvignon Blanc. The Medoc was typically "Bordeaux" and the sauternes were called "Haut Sauterne" giving them a "high grade" calibre in recognition of their fine tastes, at least by French standards of the day. Wetmore was convinced he could grow superior wines on the Livermore gravelly soils.

The caves used for storage added to the site's value. It was but one of a number of physical criteria judged by Wetmore to be most accommodating to the cultivation of premium grapes and the aging of wine. The cavernous conditions were just perfect to the conditions he required, without the need to concern himself with added infrastructure as well as episodes of hot weather which may occur at times in the Livermore Valley during some years.
Wente Bros. Sparkling Wine Cellars
Formerly Cresta Blanca Vineyards

Heavy Soils

Existing Viticulture
In Order of Acreage

Chardonnay

Cabernet Sauvignon

Merlot

Semillon

Gravelly Soils

Extented Historic Vineyard Plantings
[See Inset]

Historical Vineyard Plantings
In Order of Acreage
1. Semillon
2. Sauvignon Blanc
3. Colombard
4. Muscadelle du Bordelaise

All French varieties, on resistant rootstock, from the Bordeaux region.

Figure 1.8 Cresta Blanca Vineyard: Historic and Current Viticulture
(Data courtesy of Ralph Rivas, Wente Bros. Winery)
After Wetmore's efforts, his brother Clarence carried on the business of Cresta Blanca. A reputation of quality and style helped to advertise Livermore Valley's uniqueness. "Only the finest types of grapes were grown, and the wines were sold only in the bottles. The connoisseurs especially celebrated Souvenir Sauterne vintages." [Livermore Heritage Guild 1974:7]. The "Sauterne wine district" was founded in the heart of Livermore valley around 1889, and the cultural legacy of Cresta Blanca continues after a hundred years despite a diminished viticulture landscape. [Plates 1.6-1.8]

Wetmore had a vision of California embodied in "Cresta Blanca" which can be characterized as a symbolic landscape [Unwin 1992:8]. He wrote an essay "The Physical and Moral Influence of the Vine" with these 'prophetic' words:

"The rush of the Argonauts in 1849 will be distanced by the rush to the shrine of the wine God in the near future. The results which this agricultural development will bring in our industrial and commercial life will be amazing. The gold of the Sierra did not build cities as surely as will the vines of its foothills ... The vine makes home in the country attractive, and develops village growth."

[ in Anon. 1972:5 ].

Wetmore was a devoted public servant and became the spokesman for the fledging California wine industry, which prior to the 1880s had a poor reputation. Restaurants in San Francisco would not serve California wines. Wetmore was an avid journalist and travelled widely, especially in France to study the "wine districts". He returned with the sole aim of promoting "new" California wines, not made of the Mission grape or other inferior varieties. He is quoted: "The first vintage from the Sauterne varieties obtained in 1886 are positively grand in promise." [Colburn 1889].
Only three years later his *Souvenir* wine won Grand Prize in Paris, and became so popular that railroads featured it exclusively on their menus. He would successfully promote his "Sauterne" wines until the "Prohibition era".

In 1880, Wetmore persuaded the California legislature to establish a State Viticultural Commission. Later he become its President and Chief Viticultural Officer. He was instrumental in promoting the wine industry through the Commission. The first objective was to survey the extent of the phylloxera infestations by "districts" throughout California. Livermore Valley was then a part of the "San Francisco district". Through the State Viticultural Board, Wetmore increased information about improving methods of wine production and combating vine diseases, even conducting his own experiments. {27}

Phylloxera affected areas throughout the state, especially the Napa and Sonoma valleys. It spread through the Livermore valley in the late 1890s, though not to the degree that it did in other coastal valley areas. By 1911, however, Alameda County vineyard acreage was reduced to 2500 acres, a dramatic decline from a high of almost 6000 acres. [Map 1.4]

Wetmore's success with the State Viticultural Board and his prolific journalistic efforts and lecturing, mostly to potential new investors in the wine industry, initiated a new era in viticulture, one of systematic, scientific methods based on a more practical knowledge of California's diversified environments. The Livermore valley prospered as a wine district only after Wetmore's many efforts. In 1878, when the wine industry was at a low ebb, he resumed his occupation as a journalist and compiled a report for the *Alta California*, by special request of the publishers. {28}
Wetmore's 1878 findings confirmed that the value of vine cuttings imported by Agoston Haraszthy had not been fully appreciated. Most of the cuttings were distributed, but had not been propagated. The reason that the cuttings planted were neglected or pulled out, was they were less prolific than the "Mission" grapes. Quantity was considered more important than quality. Many vineyards suffered from vine diseases such as grape leafhopper and mildew {29}

Many acres were pulled out of production and fruits, hops or grains were substituted. Wine grapes were sold at 10 cents a gallon. California winemakers learned a lesson from the depressed market of the 1870s. Instead of grape quality, they looked to coloring characteristics of American grapes, such as the "Pied de Perdrix" and "Gamay Teinturier", now relegated to the archives of California's wine depression years. Gradually, the white and red wines of Napa and Sonoma counties improved until it was no longer a shame to drink Sauterne, Muscatel, Zinfandel, Riesling, or Burgundy "of one's own native land." [Colburn 1889: 44]

Historical accounts of the California wine industry recognized that despite the cultivation of many grape varieties, all land is not suitable for "grape culture". "Rich bottom lands never will make a fine, high type of wine. Gravelly soil, light land, though not too thin and hill lands are most eminently suited for the culture of the grape for wine; the object not being the production of enormously large crops but of very fine grapes for wine." [Colburn 1889: 45]

Nevertheless, in California, grapes are grown in all kinds of soils, at different altitudes, and under dissimilar atmospheric conditions ("micro-climates"). In fact, grapes are typically matched to a specific locale based on all these factors together, the French concept of "terroir".
Map 1.4  State of California Phylloxera Survey 1880
(Source: State Viticultural Commission Report 1881)
Varietal cuttings from France, Germany, Austria, Spain and Italy have been brought to California. All are grown in California owing to its varied soils and diversified climates. Some of climate, soil and altitude conditions favored French and Italian, some German and Greek, others Spanish and Portuguese varieties. The Livermore Valley could favor most of these countries. The confidence of the new California viticulture encouraged the consumer to look away from European names and toward native production:

"when science and skill have been exhausted in the preparation of the juices, we shall make good ... wines and have a new 'nomenclature', and our ranches, with their pretty Spanish names, may sound as sweetly in the ears of the connoisseur of the next generation as do Roussillon or Amontillado now in our own. ... There is no doubt that at present the California wine-makers are on the right road to success in many respects. They have a better climate than France or Germany and they are growing all the varieties of...wine grapes known in the world..." [Colburn 1889: 12]

Only a few American grapes were cultivated, but the strength of American vines was found in its resistance to phylloxera.

"A great many viticulturists are also grafting fine varieties of French and German grapes on American resistant stocks, principally Vitis Riparia, Vitis Rupestris, Vitis Californica and Vitis Arizonica ...." [Colburn 1889: 13]

Common rootstocks in use then were Riparia and Rupestris, still used and known as St. George and AxR-1, respectively. Such rootstock have been in use in California for a century but are undergoing experimental studies owing to a renewed infestation of phylloxera in the 1980s. {30}
Livermore Valley has been virtually immune from phylloxera infestation, though in recent years evidence is mounting that it is invading the Valley in the older established vineyards. Still, it is not a major problem of vineyard cultivation and management. The greatest insect problem posed to the Livermore Valley viticulturist is the nematode population, which is quite extensive and a threat to the vines. In fact, nematodes are still the primary pest in the Central Valley, typically found in the sandy soils throughout the interior. Some vineyard plots will be uprooted owing to phylloxera and will probably be replanted elsewhere. It seems apparent that a combination of age and rootstock stress are likely reasons for the failure of vines. {31}

"Mother Nature" was to root out the weaker vines in order to benefit the future plantings according to the philosophical leanings of the pioneering winemakers. Nevertheless, it was left to scientific experts to plant new vines on resistant rootstock. This was done on a large scale after the turn of the century, when the wine industry enjoyed a brief resurgence.
Plate 1.4

Entrance to the Cresta Blanca Winery, c.1889

Plate 1.5  Historic Landmark Site of Cresta Blanca

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Plate 1.6  Overview of Present-day Cresta Blanca site

Plates 1.7 - 1.8  Present Day Wente Bros. Sparkling Winery (Formerly Cresta Blanca)
In 1957, the 75th anniversary of the founding of Cresta Blanca, state officials and leaders of the wine industry celebrated with the dedication of an Historical Landmark. The entire year was designated a Cresta Blanca Diamond Jubilee Anniversary. The founding of Cresta Blanca Wine Company was praised as an important asset to the state and nation: [Plate 1.5]

"The distinguished history of your company reflects the growing importance of viticulture in California's agricultural economy. Because of the foresight and dedication of your founder, C.A.Wetmore, the cultivation of grapes is one of our most important agricultural pursuits today."

A few years later, Cresta Blanca introduced a new style of winemaking to America. Called "Premier Semillon" the wine was the first "botrytized" wine ever successfully made in the U.S. A delicate sweet white wine, it had only been vinified in some German Rhine and French Sauternes. {32}

It became a new symbol for the Cresta Blanca line. Marketed at the unheard price of over $6.00 a bottle, the occasion was in the Congressional Record:

"There is ... a heritage behind Premier Semillon, not only the obvious, European-rooted heritage of fine winemaking, but also the specific heritage of California's wine history. And that heritage and that history ... are more important for what they portend and for what they have accomplished. This is always true of a vigorous civilization such as ours. ... particularly ... like that represented by Cresta Blanca Premier Semillon. Its importance today lies in its promise for tommorrow."

In 1981, Wente Bros purchased the Cresta Blanca property and renamed it "Wente Bros. Sparkling Wine Cellars". The grand opening in 1985 featured a gourmet restaurant on site.
All original buildings were preserved; the caverns which were renovated as a tourist attraction. All during the years when under the ownership of the Wetmores, Johnson and Schenely, Cresta Blanca won awards, gaining a reputation as one of the "premium winery" in California.

Wente Bros. enlarged its own wine-making tradition after 1883. Under the technical guidance of Herman Wente, the family winemaker, continued to produce fine varietal wines. Phil Wente, current Vice President, reflects: [ Wente 1992 ]

"The history and tradition of the preceding three generations constantly shapes our thoughts and directions ... We are not involved in a short term infatuation, but a long term romance that is looking two to three generations to the future, instilling in us a deep love of life which is the true embodiment of a romance with wine."

The legacy of Cresta Blanca is one of families and generations, an essential part of the historical geography of the Livermore Valley. Ever since Robert Livermore planted vineyards on the Rancho Las Positas, viticulture in the Livermore Valley has earned a reputation as one of California's premier wine-growing regions. Cresta Blanca demonstrated that it was no accident that fine wines of the *Vitis vinifera* were at home in the Livermore Valley. With the knowledge and skill of Charles Wetmore, Cresta Blanca evolved as the hallmark of great wines with a "made in California" label. All the gold medals won by Cresta Blanca wines were proof of the Livermore Wine District. It also instilled a romantic perception of as wine country. While not to overemphasize such symbolic attributes, 19th century settlers perceived the viticultural landscape as romantic; it was also associated with wealth. Wetmore became a man of wealth, but more important, his enterprising wines made him a "champion of the wine industry". [ Colburn 1889:155 ]
1.6 Economic Decline, Disease and Prohibition:

The Livermore Wine District achieved its position in a short time and enjoyed a short period of undisturbed prosperity. The disasters which affected the California wine industry between 1890 and 1933, depression, disease and prohibition helped to reinforce the tendency towards specialization in retaining its title and prestige as the "Sauternes district".

While the growth of the Livermore wine district was attributed to optimistic economic conditions and social forces, the 1890s saw the first real test of its viability. The valley was at risk to a phylloxera infestation, already spreading at an alarming rate in California. Vineyards were being uprooted in Sonoma and Napa. But Livermore benefited from expansion due to elimination of competition. More than before, Livermore was selected for grape growing as a "proven" area. Close to the San Francisco market and relatively isolated from phylloxera-infested parts of the state. Livermore wine growers maintained this advantage by inspecting all vine cuttings entering the valley. The University of California also helped in the task by acting in cooperation with viticulturists. [Bundschu 1893:6]

A severe state-wide depression began in 1873 and affected the wine industry by 1876. Owing to a glut of grapes, it was the producers of fine wines who suffered least. Depressed conditions, which lasted from 1886 until the mid-nineties, were effective in weeding out "unprogressive growers and unprofitable vineyard operations" [Gibson 1969:54]

While hardships occurred in other wine districts of the state, uneconomic viticulture was taking a toll in Livermore. Many smaller growers had little practical knowledge, and planted table and raisin grapes along with their wine grapes.
Low yields, however, made Livermore suitable only for wine grapes. Smaller vineyards were planted to the more common "red grape" varieties since they normally produced the highest yields. [Gibson 1969:56; Blout 1943:2] {33}

During Prohibition, Cresta Blanca continued to operate under California and Federal permits, one of the few wineries allowed to market its wines for sacramental and medicinal purposes. With Repeal, Wetmore's brother Clarence reorganized Cresta Blanca and became its President, but it was Lucien Johnson who played the major role in bringing the winery back to the position it enjoyed prior to Prohibition.

Wines made during this time included: Chablis, Riesling, Johannisberg Riesling, Moselle, Hock, Chianti, Zinfandel, St. Julien, Medoc, Burgundy and Claret plus an assortment of sweet wines including Madeira and several "sparkling" wines. The Cresta Blanca vineyard prospered from the first vintage in 1884. When Prohibition began 25 years later, Cresta Blanca was one of the few wineries to survive. Thousands of acres were cultivated, but limited business discouraged new plantings. {34}

Economic depression and disease would eventually reduce the extent of the Livermore wine district in the late 1890s from a peak of over 5000 acres to only 2500 by 1911. Poor selection of grape varieties and vineyard location caused general decline in vineyard acreage. This increased rapidly with phylloxera spreading through the valley. The remaining vineyards, principally white wine grapes, were located closer to the southern edge of the city. Unless planted on phylloxera-resistant rootstock, the productive life of a vineyard was ten or twelve years, and yields were reduced. Only growers with capital replanted their vineyards with resistant stock. [Westover and Van duyne 1911:13]
Livermore Valley in the 1900s regained stability as the wine industry prospered again. Vineyards expanded again to almost 4000 acres. In 1911, however, the vineyard acreage was down to some 2500 acres, owing to phylloxera. [Gibson 1969:42]

Social forces were also gaining momentum against wine growers. By 1915, local Prohibition movements were numerous and restricted consumption. The wine industry attempted to persuade the public with "the moderate use of wine as a temperance agent". [Gibson 1969:60].

During Prohibition 1500 acres of prime vineyards were saved partly by a limited demand for fresh grapes and grape juice, but primarily by the reputation of Concannon and Wente Bros. Both Cresta Blanca and Ruby Hill maintained their vineyards. These few wineries returned to the wine trade after Prohibition years. {35}

When the Ruby Hill vineyards were abandoned in 1983, a local citizens advocacy group, "Friends of the Vineyards" formed to save the remaining vineyards from development. Ruby Hill was pivotal to all such efforts, a site historically significant as a Zinfandel producing area of Livermore Valley. In the past 20 years, urban pressures and wine industry changes as well as high production costs have discouraged vineyard expansion in the Livermore Valley. In 1980, about 180 acres were planted in Semillon, Sauvignon Blanc, Chardonnay, and Zinfandel grapes which produced until they were all uprooted in 1983. "Friends of the Vineyards" organized local citizens to promote and petition for an expansion of the valley's vineyards. They have been instrumental in bringing the main land use issues in South Livermore Valley to the forefront. Land which would become the focal point of ensuing conflict has changed ownership several times. [Table 1.5] {36}
Table 1.5  **Historical Land Use in the Ruby Hill Area**  
[1880 to Present]

<table>
<thead>
<tr>
<th>Owner/ Operator</th>
<th>Duration</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ruby Hill Vineyard</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>George True</td>
<td>? - 1889</td>
<td>Homesteader</td>
</tr>
<tr>
<td>J.R. Crellin and Son</td>
<td>1889 - 1918</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Ernest Ferrario</td>
<td>1919 - 1958</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Southern Pacific</td>
<td>1959 - 1979</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Hank Schneider</td>
<td>1979 - 1983</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Computerland (Corp. hdqtrs. site)</td>
<td>1980 - 1983</td>
<td>[ nonproductive ]</td>
</tr>
<tr>
<td>Wente Bros.</td>
<td>1984 - 1993</td>
<td>Grazing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Hagemann Vineyard</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>George True</td>
<td>1882 - 1889</td>
<td>Homesteader</td>
</tr>
<tr>
<td>E. Schween</td>
<td>1889 - ?</td>
<td>Vineyard</td>
</tr>
<tr>
<td>R.C. Williams</td>
<td>? - 1940</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Hagemann</td>
<td>1940 - 1954</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Almaden</td>
<td>1955 - 1980</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Computerland</td>
<td>1980 - 1983</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Hank Schneider</td>
<td>1980 - 1983</td>
<td>Vineyard, Winery</td>
</tr>
<tr>
<td>Wente Bros.</td>
<td>1984 - Present</td>
<td>Grazing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>George True Vineyard</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>George True *</td>
<td>1889 - 1923</td>
<td>Vineyard/Winery</td>
</tr>
<tr>
<td>Roman Catholic Church</td>
<td>1940 - 1990</td>
<td>Grazing/Farming</td>
</tr>
<tr>
<td>Stefano Forni</td>
<td>1945 - 1960</td>
<td>Winery</td>
</tr>
</tbody>
</table>
| Fenestra Winery/Lanny and Fran Replogle | 1976 - Present | Winery ** *

[Source: Welch, Brian 1982: *Livermore Valley Vineyards Study.*]

* George True died at the age of 50. His wife assumed the land and operation.

** Fenestra Winery to be renovated as part of the new Ruby Hill plan.
Plate 1.9  Ruby Hill site (Looking South)

Plate 1.10  Cresta Blanca Site (Wente Bros.)

Plates 1.9-1.10  Ruby Hill and Cresta Blanca Sites:
[Present-day Vineyard Environs - 1994]

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1.7 Historical, Political, and Viticultural Maps: From Rancho to Appellation

The political geography of the Livermore Valley has evolved in a sequence of geographically bounded entities from the rancho to township to viticultural appellation. In the following maps, the area is portrayed as a consistent theme in the political geographic landscape. Once part of the Mission grazing lands, the area became a farming region and ultimately a renown viticultural area. Past land uses were rooted to the soil, settlement was a cross-roads between East and West. The so-called 'corridor country' would subsequently become wine country. Meantime, adjustments were made in establishing permanent boundaries in the Livermore Valley.

Las Positas Rancho, home of Robert Livermore, did not have its boundaries for years. Rowley [1931:17] wrote:

"Settlers came in great numbers and either by purchase or exemption located their homes all over the valley. There was one drawback, the uncertainty of the boundaries of the Las Positas Rancho."

The U.S. Patent was issued in 1859, but disputes over the territory were not settled by the Department of the Interior until 1871. "Murray Township" was settled in January 1853 soon after the County of Alameda was formed. It was "remarkable for its great extent, its extensive grain-fields, its beautiful valleys, and its rugged mountains" [Baker 1914: 494] It comprised the First Supervisorial District, the agricultural heartland of Alameda County. Baker [1914] recognized the importance of viticulture:

"The Livermore vineyards were famous in 1883. Any gravelly land in that vicinity that would grow grain ... was suitable. New vineyards were being opened up in all parts of Murray Township."

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In 1893, the most important "grape-growing districts" were Livermore, Pleasanton, Sunol, Vallecitos and Mission San Jose'. By 1900, it was recognized that Alameda County was divided by soil, water and physical surroundings into three natural "districts" for agricultural production: cherries, apricots and grapes. From Oakland to Hayward was cherry country; Hayward south and east to the county line was apricot land; Livermore Valley was the grape area.

While other fruits were cultivated, the "great grape and wine region is around Livermore and Pleasanton." [Baker 1914:189] In 1981 the Livermore Valley finally gained designation as a Viticultural Appellation. The wine district, born in the 1880s, would endure a hundred years before it was codified. Livermore's viticultural area was based on geographic, soil, climatic conditions as well as historical, social and political factors. Cultivation of grapes and a wine-making tradition established its boundaries. But an appellation does not guarantee longevity of the wine-producing district. Ironically, political processes come to play in the future of the Livermore Valley appellation, and its survival. { 37 }

In the words of de Blij [1983:1]:

"Viticulture (the growing of grapes) is perhaps the most geographically expressive of all agricultural industries. Not only does it involve considerations of climate and soil, ... water and the threat of disease, local and regional methods of cultivating the vine, ...the geography of viticulture also extends to the development of distinct cultural landscapes, the perpetuation of regional traditions and preferences, processes of diffusion, market competition, and even political issues."

Political issues affecting Livermore's viticultural area come to the forefront in the 1980s, testing its economic viability while leaders search for alternative preservation strategies.
Original petition for El Rancho El Valle de San Jose, May 1852 was filed in the Court of U.S. Commissioners with the diseño as shown for all land contained, now the Amador-Livermore Valley

MAP 1.5 Rancho Boundaries in Livermore Valley: Final Survey (by the Land Commission, 1871, from 1880 map of Alameda)

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Map 1.6  Oldest Official Map of Alameda County
(Reproduced from Calhoun 1973)
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"Livermore Valley" is part of the Central Coast AVA.

The present day “Livermore Valley Appellation-AVA” includes the lands formerly contained within the Ranchos Las Positas and the El Valle de San Jose.
In summary, the principal characteristics below define the Livermore Valley wine region. They reflect a long-standing recognition of the regional uniqueness and the historical land use issues, and will be the concerns of the following two chapters. These characteristics are:

1. The Livermore Valley, with some of the finest grape-growing conditions in California, is internationally known as a premium white and red wine district. Valley wines have competed favorably with fine wines from around the world for over the past 100 years.

2. Vineyards are an historic land use in the Livermore Valley, where two wineries have been continuously operated since 1883. "Providing a rich historical and cultural asset to all, the vineyards also constitute an invaluable scenic and open space resource that contributes to a high quality of life in the Livermore Valley." [Welch 1982:34]

3. Prime Livermore Valley vineyards are an irreplaceable resource impossible to recover once urbanized. The soils and microclimate of the Valley are found in relatively few locations worldwide.

4. Vineyards and other prime agricultural land have been declining at an alarming rate in California and nationwide. Only about 2000 acres of the original 5500 acres of vineyards now remain. Though a substantial quantity of prime vineyard land is available for viticultural expansion.

5. A number of factors have been associated with the decline of valley vineyards, including aged rootstock and disease infestation. However, pressures to convert vineyards to urban and suburban uses pose the most formidable threat to the viability of the viticultural area.

To address the latter concerns, the South Livermore Valley Study was initiated by Alameda County in 1987 to plan for its future. Sometimes called the Fertile Crescent Study, this comprehensive study defined the "Study Area" within which all new development would be considered in relation to surrounding agricultural and viticultural lands. This is summarized in Chapter 2. From this study evolved the formal South Livermore Valley Area Plan, which will be discussed in Chapter 3. This will finally lead to a Land Trust formation.
Plate 1.14  View of Wente Bros. "Cresta Blanca" Vineyards

Plate 1.15  Ruby Hill Site: View from Vineyard Avenue

Plates 1.14 - 1.15  Overview of South Livermore Valley
In the following chapters, both the issues and agendas determining the future course of the Livemore Valley will be debated by citizens, deliberated upon by politicians and defined ultimately in the context of planning codes and legalities for the sake of an enduring resolution of the problems at hand. A great deal of land and interests are at stake. Citizen committees and planning commissions will review every possible ramification of a future land use policy. We shall see that everyone agrees it is essential to preserve the past and even restore a sense of heritage by redeveloping the wine country to everyone's benefit, but the issues between land ownership and conservation, governmental-regional planning and local home rule still run deep. The outstanding issues of Livermore Valley reflect the reality of a litigious society as well as that of a local community in search of an identity and a sense of direction.

In discussing the evolution of a land use plan which resolves the long-standing issues, we also become aware of the role of the planner who is actively involved in the political process and not just a passive observer as events unfold. The planner will assume an important liaison between the citizen and politician in formulating policy and employ a number of perspectives on the problems engaging all parties. The planner will be synoptic, identifying alternative solutions; the planner will be incremental, sometimes muddling though a problem one step at a time; the planner will be transactive, concerned with policies as they affect people in everyday life. Advocacy planning will also become an important force, as an activist concern with neighborhoods and social justice; including equitable treatment of landowners and their right to use the land. The planner will also have a sense of history to guide efforts towards fruition. The recent history of South Livermore Valley shows the past is still important to the land planner, to keep it alive in any future plan.
CHAPTER TWO: THE "SOUTH LIVERMORE VALLEY STUDY"

2.1 Introduction: The Study Area

The identity of the Livermore valley has been tied to its agricultural heritage. Most of the area suitable has been planted in vineyards. Today, vineyards cover about 2500 acres, a dramatic decline from a peak of 5,500 acres (1885-1910) and 25 wineries. A record low was 1350 acres in 1977. Vineyard acreage declined 50 per cent from 1947 to 1987. In the past decade, 1800 acres of vineyard land were annexed by Livermore. Only 1660 bearing acres were reported in 1980. [Welch 1982:5; Hart 1991:1] [Figure 2.1] [Map 2.1] {1}

Despite such declines, Livermore still contains a substantial quantity of vineyards and unplanted vineyard lands. Questions of how such lands will be used and the viability of existing vineyards will depend on a combination of: (1) vineyard economics; and (2) governmental policies. Pleasanton and Livermore have maintained an influence over these vineyard lands. Land use issues have now come to the forefront.

The city of Livermore and Alameda County have shared a goal in recent years: to double the acreage in vineyards to a minimum of 5000 acres. This statement of public policy addresses the issue(s) of urban encroachment into the south Livermore Valley, containing almost 15,000 acres of land with significant agricultural and open space resources. This is the County's "Study Area" for future land use planning, the results of which will be used to revise the General Plan. Here is fertile ground for environmental issues which reflect homeowners, landowners, prospective developers, and agricultural viewpoints and interests. From the planning standpoint, zoning has been necessary to separate urban residential from agricultural lands, especially viticulture, an intensive land use. The county plan also requires open space and scenic corridors, as integral elements.
The perception of environmental quality includes preserving the heritage of Livermore Valley. The Study Area has both environmental and historical significance. These 15,000 acres are the focus of the South Livermore Study which compare with the Livermore Valley Vineyard Study of 1982. Central to both is the historic Fertile Crescent. [Map 2.3] {2}

Figure 2.1 Historical Reduction of Vineyards and Population Growth Over the Past 100 Years. [Adapted from Welch 1982; historical data revised]
Map 2.1 Vineyard Land Use: 1892, 1940 and 1965
(Reproduced and adapted from Gibson 1969)
Livermore Valley "Vineyardland" Study

Legend

- Area of Appellation
- Planted vineyards
- Potential "vineyardland"

Note: Planted vineyards mapped by USDA Soil Conservation Service 1985. Potential vineyard lands studied by B.T. Welch used following criteria:
1. Exclude urban (existing or committed) updated to 1985.
2. Include former productive vineyards; include unirrigable from aqueduct.
3. Include "south valley" for climatic reasons; exclude 1000' + elevation.
4. Include Livermore and Pleasanton soil series and other soils if level, loamy, well structured, moderately deep to deep well drained, low salinity, permeable.
5. Individual landowner's property rights and economic potential not considered.

Map 2.2 Livermore Valley "Vineyard Study" - 1982
(Reproduced from Welch 1982; Color enhanced)
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Map 2.3  South Livermore Valley "Study Area" - 1987
(Reproduced courtesy of Larry Livingston; Insets added)
2.2 A Development Strategy for Landowners' Options:
In 1987, the County of Alameda authorized a steering committee to oversee the "South Livermore Valley Study" and engaged a consultant to study the lands of the South Livermore valley. Livingston and Associates of Tiburon conducted the study as the principal consultant. All findings focus on the development potential of the south Livermore Valley. After the steering committee selected a preferred alternative, the consultant team will develop a "Specific Plan" along with an environmental impact report (EIR). The study has several elements and is contained in a series of reports. [Livingston 1989] [ Outline 2.1, 2.2 ]

Almost 6000 acres of vineyards, and lands classified as "suitable" for viticulture, are located here. They are considered the easiest to develop owing to the level terrain, soils and the proximity to urban infrastructure. The area is susceptible to development pressures from both Livermore and Pleasanton. The key land issue is the locus of residential development, which becomes more critical as urban growth encroaches on agricultural lands in unincorporated County areas. Generally, Pleasanton has been pro-development, while Livermore has traditionally been a slow-growth city.

Livingston argues that a plan based on the principle of land capability (i.e., physical feasibility of development) would run counter to the objective(s) of preserving and expanding agriculture (read "viticulture") outlined in the County General Plan. It also raises a legal question in an attempt to draw a line between "suitable" and "unsuitable" OR "cultivable" and "non-cultivable" land. Livingston treats a line of demarcation akin to a "rebuttable presumption" in law -- in plain language, to be regarded as flexible and subject to change. Such is the legal theory in support of the study's ultimate objectives.
The "South Livermore Valley Study" (Hereafter called "SLVS" or "Study") devised strategies to preserve agricultural land without ignoring the physical factors of site, topography, soils, water supply, habitat, etc. The key of the "SLVS" is a "programmatic implementation-oriented approach" because "it is not possible to prepare dependably defensible land use plans for the study area" [Livingston 1989A:19] {3}

According to the consultant, alternative resource-based land use plans were considered impractical because "definitive determinations of soil suitability, irrigation, water availability, and potential agricultural productivity are not possible." [Livingston 1989A: 1] Hence, in lieu of "land use plans", the "SLVS" presents "a series of alternative basic public regulatory strategies and supplementary public and private programs for preserving and expanding agriculture in the study area." The premise underlying such "alternatives" is "to allow landowners a range of choices," in keeping with the concept of private land ownership in the United States. By law, County governments cannot require landowners to farm, but (as summarized by the consultant) may use the following mechanisms to support agricultural land use policies:

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Outline 2.1  The South Livermore Valley Study:  
Program Elements

ALAMEDA COUNTY

| Board of Supervisors [Chairman Ed Campbell*]

STEERING COMMITTEE

| CONSULTANT
| PRG
| CRG

CITIZENS ADVISORY COMMITTEE

RAM

STUDY ELEMENTS:

1. Delineation of the Study Area.
2. Defining terms such as "vineyard", "winery", and "potential vineyard".
3. An examination of the economics of viticulture in the Livermore Valley.
4. A study of possible accessory uses; restaurants, bed-and-breakfasts, hotels/motels/resorts, etc.
5. Determination of potential for increased residential development and advisability thereof.
6. An examination of how services could be provided for increased use - whether it be residential, commercial and/or agricultural; including water, sewers, fire, police, etc.
7. An examination on how to carry out the study recommendations and how to pay for them.

* [Supervisor Ed Campbell is the originator of the Study and architect of the South Livermore Area Plan ]
The "South Livermore Valley Study" is the product of a team of consultants made up of Livingston and Associates, Tiburon, CA; Mundie and Associates, San Francisco, CA; Moore Iacofano and Goltsman, San Francisco, CA. They were hired by a Steering Committee made up of city and county officials in 1987 to develop a plan for the 15,500 acre area, designated by the County as the "Study Area". The "Initial Study" and "Specific Plan" were developed from all mandated research criteria in the Technical Memoranda; on contract with the Alameda County Planning Department.
The present development pattern in the "Study Area" moving southward from the Livermore city limits is generally sparse. Subdivisions at southernmost Livermore give way to scenic stretches of vineyards, open natural areas around arroyos, and grazing lands. The land uses and amenities of the southern Livermore unincorporated areas of Alameda County all contribute to a perception of environmental quality reflecting a sense of regional cultural identity as well as a small community-based civic pride. To many local citizen groups and landowners this will be lost by future development if urban sprawl or "leapfrogging" occurs over the "urban-rural fringe". The history of Santa Clara Valley centered on San Jose' typified this phenomenon in the 1960s. { 4 }

Though Livermore has followed no-growth or slow-growth policies over the years, County planners extended the city's "sphere of influence" (its future service area) into agricultural and vineyard areas to the southwest. Increasing competition for land space with neighboring Pleasanton has resulted, thus inviting urban development on prime viticultural lands. The danger concerns the future of agricultural lands between urban centers and new development in close proximity to the city centers. Will such lands be "long-term agricultural" or just "temporary holding zones"?

Livingston observes:

"The perception of the land use pattern as being agriculturally-oriented depends on any new residential development being seen as incidental to, or appendant to, agriculture and a rural setting. Typically, urban densities cannot meet this criterion; ranchettes may not meet it either. Only large-lot residential development (20 and more acres per unit) may be able to sustain the sense of agriculture as the prevailing land use in the study area."

[Livingston 1989A:33]
Density and magnitude of development would be of prime concern to the county and the SLVS study, involving the benefits of higher densities as well as the impacts of certain development at higher densities on the rural environs. Hence, residential development calls into question various density levels. In ascending order, they include large-lot (20 acres per unit), ranchettes (2-5 acres per unit) and urban density (2-3 units per gross area). Density is the "springboard for considering the potential environmental implications of study area development". [Livingston 1989A:31]

Agricultural zoning in most of the Study Area has a 100-acre site area minimum requirement. This has the advantage of being a simple method of preservation. Despite market pressures, this "A-1" zoning has maintained agricultural and open space. The more development permitted within the Study Area, the greater the likelihood of future expansion of the perimeter in which development would occur. Extension of roads, water supply, and sewer lines are growth-inducing. Critics proclaimed it "inequitable" and therefore unfair to the majority of landowners who must forego development while the urbanites have the benefit of a "greenbelt". Economic versus aesthetic values conflict. [Livingston 1989A:35] {5}

As areas are developed, it affects the sense of community environment and the perception of environmental quality. Livingston found this is important:

"the type and character of development plays a larger and larger role ... the arrangement of land uses and the physical appearance of development in its setting become increasingly important in assessing the environmental consequences of any new development,...in relationship to other future development -- the cumulative context and (the) tendency to encourage further growth." [Livingston 1989:33]
Livingston did not assess development capabilities of vacant lands adjoining the Study Area, but focused on residential development within the Study Area. Agricultural preservation and enhancement of the cultivable area is the objective of the Specific Plan [Livingston 1989B]. The consultant poses two fundamental questions: (1) Can residential development take place in the Study Area alongside agriculture in a complimentary way?; OR (2) Is there a level of such development the area can accommodate without fundamentally compromising the agricultural enhancement objective?

Livingston also considers "conditional uses" - permitting non-agricultural and non-residential uses on lands classified as unsuitable for agriculture. Potentially compatible uses include educational facilities, conference centers, resort hotels, and golf courses. Their compatibility with agriculture depends on the nature of each project, and what conditional use (permit) procedure would be appropriate.

The consultant acknowledged there would be prerequisites for obtaining conditional use permits: (1) Compatibility with agriculture; (2) Absence of significant adverse environmental impacts; and (3) Conformity with the County's General Plan and Specific Plan. Such prerequisites are based on both quantifiable and qualitative criteria, ranging from traffic generation to visual prominence. The consultant takes into account both economic and aesthetic impacts, whether they be toxic wastes or sensitivity to nuisances of viticultural practices. In addressing these impacts, the Citizens Advisory Committee (CAC) formed by the consultant would review and comment on four major parts of the study: 

1. Background technical studies.
3. Alternative land use scenarios.
4. The draft EIR and Specific Plan.
2.3 The "Citizens Advisory Committee": A New Agenda

The "Citizens Advisory Committee" (hereafter CAC) was formed to serve as a source of information to the consultant study team, as an idea generator and sounding board, as a collector of public input and a reviewer of the study's working papers.

For example, the CAC would gain feedback from the citizenry and those in viticulture concerning zoning. They suggested, among others, "transitional zoning", consisting of successive bands of agricultural zoning districts with minimum site area requirements, ranging "progressively" from 5 to 10 acres, 15, and 20 acres. Viewed as more equitable to landowners, such parcelization may also endanger future cultivable lands. The problem with revising minimum site area requirements (hereafter MSAR) is there is no consensus on the fundamental question posed for planners: "What is an economically viable land area for a varietal winegrape vineyard?"

The MSAR might be reduced to 60 or 40 or even 20 acres. A consultant, Management Research Associates, contends that a reduced standard would encourage small "boutique vineyards" which have proliferated in the Napa valley. {7}

The problem then becomes one of start-up costs which requires a substantial capital investment on a relatively small 20-acre site while the first harvests (profits) will not occur for several years. There is no guarantee that a minimum acreage would be devoted to viticulture, and may result in non-cultivated "housefarms", low production "hobby farms" or "large-lot rural homesites". {8}

Livingston's report "Agricultural Land Preservation/Expansion Alternatives" (1989) concerned (1) development potential of the study area and (2) retention of cultivable lands via regulatory techniques. But what lands were most suitable?
Classifying lands as either "suitable" or "unsuitable" for viticulture also concerned the CAC. They addressed this in a limited way by drawing tentative boundaries between "cultivable" and "non-cultivable" lands on the basis of U.S. Soil Conservation Service data. The "Vintners Subcommittee" supplemented this data with their own mapped opinions of such boundary lines, which could change as warranted. [Map 2.4]

The views of the CAC indicated a range of opinion among the citizenry. Some wanted to retain all open space for the foreseeable future, others wanted to transform the area into a "wine country" on a par with Napa valley. The CAC's first "community workshop" expressed concern property rights be respected and landowners be treated fairly. This reiterates the need to address the long term status of cultivable lands. In their April 10, 1989 resolution, the CAC's agenda is: "To prevent piecemeal planning, each development proposal would have to meet a minimum area standard so that significant contiguous areas would be preserved." [9]

Mapping prime viticultural and potentially cultivable lands may be based on "soil typing", but it cannot be justified unless it is also benefits the community environment by some long-term preservation agreement. California "land lease" terms run 50-99 years. The consultant contends that a 50-year minimum would be reasonable. "Williamson Act" contracts are signed for 10 year periods, and may or may not be renewed. Many have not been renewed. [Livingston 1989A: 37] [10]

Currently about 60 per cent of the Study Area lands are subject to Williamson Act contracts. Of contracted parcels 80 per cent are south of Tesla Road and east of Arroyo Road. The prevalence of Williamson Act contracts on virtually all open lands, is deemed remarkable by County planners for lands in such close proximity to urban zones.
The consultant observed the merits of the Williamson Act which has been successful in California: [Map 2.5] {11}

"...Williamson Act preferential assessment/deferred taxation agreements are at least as effective in preserving agriculture as comparable programs in 46 other states. Even under Proposition 13, Williamson Act contracts still are advantageous to landowners." [Livingston 1988B: 2:3]

Agricultural zoning is the simplest method of retaining large vineyard sites, but the concept of preservation can only be confirmed by retaining both county and city General Plan policies to prevent parcelization (into "ranchettes") and new owners removing their lands from production. The Livermore General Plan expresses "an overriding concern for the impact of growth on natural resources ... and protection of the natural setting." This includes "open space" amenities incorporated by both city and county. [Livermore General Plan 1977; Livermore-Amador Planning Unit 1987]

Livermore's 1983 General Plan Amendment declared its intention to preserve open space in general "and as much land as possible" for agriculture, viticulture, rangeland, and grassland [Livermore General Plan 1983]. For "potential" vineyards and lands with potential for intensive cultivation, most planners agree that present General Plan policies, and those concerning annexation and infrastructure extension should be reaffirmed. To protect both close-in and remote grasslands, the General Plan "Review" specified that present County and city policies should be confirmed and Williamson Act contracts encouraged, despite the trend towards non-renewal. Several contracts will expire in 1999. The General Plan Review process is periodic and is designed to address all such concerns; which will be incorporated as Amendments to both the city's and the county's General Plan.

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Map 2.4
Cultivable Lands and Steep Slopes
(Reproduced courtesy of Larry Livingston)

CULTIVABLE LANDS AND STEEP SLOPES

South Livermore Valley

Cultivable Lands
Slopes exceeding 25 per cent
Map 2.5
Williamson Act Parcels in Livermore Valley
(Reproduced courtesy of Alameda Co. Planning Dept. color enhanced)
The City of Livermore General Plan Amendments have been taking all steps possible to preserve vineyards and to encourage expansion on lands rated "good" and "very good" for wine grapes growing by the U.S. Soil Conservation Service. The stated purpose is to protect the "community's environmental setting and historical identity as well as to strengthen the wine-producing economy and potential tourism." Such policy mandates lands in agricultural uses other than vineyards, including non-prime soils, are designated "general agriculture" in the plan. [Livingston 1988A:1:7]

This implies existing grasslands and rangelands within the City's planning area are to be protected from conversion to non-agricultural uses. Policy statements of the Livermore General Plan pertinent to the South Livermore Valley Study include the following stipulations:

(1) The City is to encourage Williamson Act contracts;
(2) No intensive development should be permitted on the hillsides;
(3) There is be no development on grasslands in the upland areas [unless it is screened for such use]
(4) An open space buffer is to be maintained between Livermore and Pleasanton;
(5) New and improved circulation routes are not to sever prime agricultural areas, particularly vineyards;
(6) A system of development rights transfer should be studied as a possible means to preserve open space lands without the inequitable effects of more traditional land use controls. [Livingston 1988B:2:7]
2.4 Evaluation of "Transfer Development Rights" System

Livingston proposed "a system of development rights transfer" as one regulatory alternative of five methods for preserving agricultural and other open space lands. The "transfer of development rights" (hereafter TDR) has legal precedent as a method of preserving agricultural and open space lands in Maryland and New Jersey since the early 1970s. {12}

A TDR system has two criteria: (1) lands to be preserved or "sending areas" and (2) lands where the credits may be used or "receiving areas". The latter must be zoned to permit densities at a base level if development credits are transferred to the site densities at a proportionally higher level. [Livingston 1988B: 9] [Map 2.6]

The consultant portrays a TDR as "a prime example of a trade-off arrangement in which theoretically everybody wins." The viability of a TDR system is dependent on four key elements:

(1) There must be sufficient market demand for credits.
(2) There should be fair compensation to owners of protected open space for loss of development opportunities;
(3) There must be sufficient lands to which the credits are transferred;
(4) The system must be perceived by the public as permanent.

[Livingston 1989A:40; Livingston 1988B:2:18] {13}

To the Chairman of the Citizens Advisory Committee, the question was not the viability of agriculture in the Livermore valley: "Agriculture is already viable... Questionable whether viticulture is." Can the system work here? To what extent a system can work in this wine country has been unknown since there is no precedent. {14}
A TDR is not to be confused with the purchase of development rights, sometimes called conservation (or open space) easements. Unlike a development rights purchase, a TDR is not consistent with General Plan policies though both are equitable to landowners and both have legal precedent. Costs of establishment and administration involve revising zoning ordinances; record keeping clearinghouse, development permitting; the economic feasibility is limited.

A development rights purchase has low economic feasibility, an estimated cost per acre of $10,000 - 20,000 though potential funding sources may be unlimited. On the other hand, there are no adverse environmental effects with a development rights purchase, while a TDR system will generate traffic and air quality problems with increased development.

The consultant views the applicability of a TDR system in strictly "residential terms":

"Only residential use could serve as the basis for a development credits transfer system in the South Livermore Valley, because it is the only type of use for which demand may be adequate ... to make widespread development plausible, and the only type of use for which all lands within the study area generally are suitable. Some differences on a site-by-site basis would ... exist due to variations in accessibility, topography, vegetation, and views. The other agriculture-compatible uses do not meet this criterion. They are insufficient, even in the aggregate, to absorb all study area lands, and sites within the study area vary greatly in terms of their suitability for such uses." [Livingston 1988B:2:36]

Several members of the CAC submitted their own proposals for preserving agricultural and other open space lands in the study area. Each of these strategies involves the transfer of development credits (TDC system). [ Livingston 1989:43-47 ]
There are several problems in implementing a TDR/TDC system: (1) "there is no certainty that the value of the credit fairly reflects development opportunities foregone by farmland owners"; (2) an issue of "fairness of permitting higher densities to receiving area landowners who acquire credits than to those who do not"; and (3) the fundamental question of "whether such a system would undermine the entire constitutional basis of land use regulation in urban as well as rural areas by giving rise to the presumption that compensation legally is necessary... ." {15}

If the City of Livermore participated in the TDR/TDC system, it would be appropriate to enter into a joint powers agreement with the County to implement the program. Deeding of development rights to the County would be optional. Landowners who do not do so would receive no credits. Acquisition of credits for "conditional uses", eg., golf course, would not be required, since "conditional uses, particularly... the wine country center, would make the Fertile Crescent more attractive to visitors, a prime objective of the Specific Plan." [Livingston 1989B:22] {16}

Conditional uses include resort hotels, golf courses, and "wine country commercial uses." (eg. bed-and-breakfasts). Permitting certain non-agricultural, non-residential uses on lands classified as unsuitable for agriculture would be consistent with the policy of allowing landowners maximum flexibility in the use of their property, if compatible with the goal of preserving/expanding agriculture. Three prerequisites for a conditional use permit are cited: [Livingston 1989:54] {17}

1. Compatibility with ("cultivated") agriculture.
2. Absence of significant adverse environmental impacts that cannot be mitigated.
3. Conformity with the County General Plan and the Specific Plan
Currently, "the predominant 100-acre minimum zoning has been a major factor in the preservation of agricultural and...open space lands in the study area, despite the significant market pressure to convert buildable lands to urban development". Landowners, however, say this is inequitable. Farmers and ranchers have argued for more flexibility in their land use for years. The new East County Area Plan pending approval will maintain 100-acre minimum parcel size for agricultural land, adding strict requirements for large parcel splits. The policy was in response to one property owner's request that grazing activities be continued but that the owner be able to tap the asset in their land by selling off a homesite. [Draft East County Area Plan 1993:1] {18}

The Specific Plan concept has other requirements to fulfill: that "enhancement of the area's wine country image exceed the disbenefits of the site's being preempted from cultivated agriculture and that local, valley-wide or county-wide benefits exceed any adverse environmental impacts or disbenefits." Maintaining goals of the Specific Plan will mean differentiating the Livermore Valley from other varietal grape growing regions. It will require a Plan establishing the "identification of the area as a destination". The encouragement of tourism will depend on "a continued agricultural 'look' of the Valley. A suburban appearance is not consistent with promotional efforts stressing an attractive rural setting." [Livingston 1988B:29]
POTENTIAL TDC SENDING AND RECEIVING AREAS
South Livermore Valley Study
2.5 State Farmland Mapping of Livermore Valley Soils:
Having completed an exhaustive analysis of TDR as a basic regulatory mechanism, another alternative has long-term merit: a private farmland trust. Preservation areas for agriculture is worthwhile considering. Lands for protection in perpetuity, have to be mapped in accordance with the Farmland Mapping and Monitoring Program of the Department of Conservation, State of California.

The "Farmlands Series" maps use eight classifications; the three significant agricultural/cropland categories include: (1) "Prime Farmlands"; (2) "Farmlands of Statewide Importance" and (3) "Unique Farmlands". These three categories are designated on maps as "P", "S", and "U" respectively. [State of California, 1992] [Map 2.7] {19}

According to initial estimates of the County, approximately 300 of 480 acres identified as Prime, Unique or of Statewide Importance within the proposed Ruby Hill project will be developed; the remainder will be planted in vineyards. The remainder of the approximately 2,740 acres of "identified" (important) farmlands are in the "Plan Area". With exception of the Ruby Hill lands identified by the State as P, S, or U within the Plan Area are generally limited to lands actively under cultivation as vineyards; and are required to be planted as part of the Ruby Hill project.

The Citizen Advisory Committee was advised by the consultant that the application of "soil criteria" to viticultural viability as a desired land use was problematical. Moreover, the accuracy of the Soil Conservation Service Soil Survey does not define precisely what areas constitute the "better soils". The consultant was also at a loss to explain the lack of closer correlation between the SCS classification and the State's mapping program. [S.C.S. 1966; Livingston 1988A:1:11]
Existing successful vineyards in Livermore Valley have been planted on soils ranging from "excellent" to "very poor" in the Storie Index. There is a general belief that grapes grown on poor soil make better wine, but wine varieties vary in their soil requirements. Bioletti [1929:4] believed that "any soil that will grow ordinary crops will grow grapes ..."

One of the founders of Wente Bros. Winery said: "I can plant any kind of grapes I want to." [Wente: Undated:13]

Attempting to map soil criteria in relation to wine grapes becomes a process relative to the objectives of the user. In the words of one scholar, Roger Rosenblatt: "Maps are manipulable and relative documents." Nevertheless, such maps function as tools to establish boundaries and have relative values for practical application in viticulture. To be sure, in the words of Hugh Johnson (1977): "The relationship between maps and wines is a very intimate one."

When in combination with other environmental criteria, such as micro-climate, the importance of soil-mapping becomes more clearly defined. CAC members questioned whether variations in local micro-climate make parts of the study area more or less "suitable" for viticulture. This is important in an effort to establish a "Livermore" appellation. Livermore, in fact, does have an identifiable appellation, the Livermore Appellation, subject of the "vineyard study" by Welch in 1982. Livermore Valley has a history as a Study Area, in consultation with the County. However, not until the Livingston Study did all the factors come into focus towards formulating a Plan. {20}

Livingston mapped the "Soil Suitability for Viticulture" and "Existing Land Use" which when updated shows the extent of abandoned viticultural acreage. The large parcel is the "Ruby Hill" project site. All such mapping led eventually to the final map of the Specific Plan. [Maps 2.8; 2.9; Map 2.12]
Livermore's General Plan designations in the Plan Area include: "Limited Agriculture" (20-acre); "Viticulture" (100-acre); "Rural Residential" (1-5 acres); and "General Agriculture". Emphasis on agriculture is intended to define the "limits of urbanization" during the planning period 1976-2000 and "to respect the integrity of agricultural lands surrounding the community." Such public policy plans led to attempts to map an "urban limit line" around the city limits of Livermore. [DEIR-SLVAP 1992:A10] [Map 2.10] {21}

Viewed in the context of the County's General Plan [Map 2.11] it is clear that agriculture ("Agricultural/Open Space") is the key element and most significant designation; based upon both the Draft Plan for the Livermore-Amador Planning Unit (January, 1987) and Livermore's General Plan (July, 1985).

In addition to the Land Use Element, Livermore also has an "Environmental Resource Management" Element in its General Plan which encourages the expansion of viticulture in its "Planning Area" by "protecting cultivable soil resources and the area's historic identity as a wine-producing region." Such a policy statement also intends to conform its General Plan criteria with the "South Livermore Valley Area Plan" draft. It is not a question of the viability of viticulture within the Plan Area, but of defining a "mission statement" which sets a limitation on future urban expansion and protects its cultivable resources. {22}

Soil types are not essential to defining a wine region which has an historic cultural identity. Taking an inventory of remaining cultivable soils is an integral part of defining the Plan Area, which entails cooperative efforts between the Livermore and the County and/or Pleasanton and the County. It includes the inter-relationships between the cities of Livermore and Pleasanton and the County General Plan.
Although the South Livermore Valley "Study Area" constitutes a relatively small geographical area of Alameda County, it contains significant acreage of the county's remaining arable lands. The preservation of these lands for agriculture is worth considering from both a local and statewide perspective. Most of the significant agricultural lands are in areas covered by Williamson Act contracts. Ruby Hill, the focus of contestable land use issues, is also the nexus of jurisdictional boundaries for land use control. [Map 2.12]

In summary, both City and County Plans now recognize the importance of both natural resources and cultural values which identify all environmental assets. In an inventory of cultivable soils, the SLVS documented five areas within the Study Area suitable for grape production, but not currently planted. The largest of these is in the vicinity of the old Ruby Hills vineyards. This area now becomes the focus of future land use planning issues in the southern part of Livermore Valley. Livingston did submit a plan. [Map 2.13]

An EIR for the Ruby Hill project (named after "Ruby Hill" winery) will serve to define the future parameters of what will be the suitable areas for viticulture conditional on the developer paying mitigation fees. Economic incentives are also needed. The "Technical Memorandum - Vol. I" concluded:

"If the vineyards of the South Livermore Valley were to expand into all suitable lands in the area, the market would easily assimilate the wine output from grapes grown there...even by developing only one-half of the suitable land, given the combination of water, soil, other natural resources...available, and the past history and recognition of the area."

Based on this finding, consultants to the Study estimated 20 "boutique wineries" could be sustained. Such a prognosis will benefit all potential investors. [Livingston 1988A:4]
Map 2.8  Soil Suitability for Viticulture

(Reproduced courtesy of Larry Livingston)
(Color enhanced)

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Vineyard Land Use in the Study Area - 1987

Map 2.9

South Livermore Valley Study

Vineyards abandoned

Vineyards producing

Excerpted courtesy of Larry Livingston; color enhanced
Map 2.12  Local Government Jurisdiction Boundaries
(Reproduced courtesy of A.C.P.D. and EIP Associates)
Map 2.13  SLVS Preliminary Plan - Ruby Hill Area
(Reproduced courtesy L.Livingston; Graphic modified)
2.6 The Specific Plan

The final stage of the South Livermore Valley Study was proposed in the "Specific Plan" [Livingston 1989B]. It fosters creation of an agricultural preserve with soils suitable for cultivation and implemented by a combination of land use/development regulations (in the form of zoning) and compensation (in the form of transferable development credits). Availability of irrigation water was also taken into account, as well as possibilities of enhancing water resources and recycling wastewater. All factors are discussed in the Technical Memoranda as supporting documents. The study could result in any of the following: (1) Review of the County's General Plan; (2) Review of Williamson Act guidelines; and (3) Reclassification of the area to a specialized zoning district, eg., "agricultural preserve"; and other land use regulations and/or service districts.

The Specific Plan attempts to preserve what the County regards as "cultivated agriculture" which includes vineyards, orchards and irrigated specialty crop lands as well as lands with potential for growing these crops; but does not include field crops and pasture. A final map was created to plan for the most desireable land uses within the 15,500 acre study area, based on three factors: (1) current edges of urban development; (2) land ownerships currently or historically devoted to vineyards, and (3) constraints imposed on development potential by steep terrain. [Map 2.14]

The Plan boundaries of the agricultural preserve were drawn to maximize the preservation of cultivable land and to make all parts as contiguous as possible. The latter was deemed most important for preservation: "Contiguity offers the advantage of minimizing conflicts between agriculture and urban development and enhancing the visual impression of a major greenbelt." [Livingston 1989B:1]
Preservation means a contiguous, not a piecemeal plan. In sum, the proposed preserve encompasses about 40 per cent of the 15,500 acre study area. The preservation goal is 1500 acres of vineyards to expand to more than 6000 acres, though some cultivable lands would be excluded. Specific criteria such as "soil quality" and "irrigation water supply" are important to the integrity of the lands. Again, viability means contiguity, offering several advantages:

"it fosters land assembly for vineyards large enough to optimize the efficiency of operations such as fencing, rototilling, planting, irrigation, chemical spraying, sprinkling for frost prevention, and harvesting the grapes. In addition, contiguity minimizes the extent of boundaries shared by farmlands and urban development, thus reducing the potential for conflicts between the two uses. Finally, a large, contiguous cultivated area preserves and enhances the visual impression of a major agricultural greenbelt — 'the Fertile Crescent'. As has been demonstrated in the Napa and Sonoma Valleys, this kind of visual environment would enhance residential property values in developed portions of the viewshed. It also would promote public recognition of the South Livermore Valley as prime viticultural area — a major objective of the Specific Plan."

[Livingston 1989B:8]

The Specific Plan sets "land use and development standards" which would limit permitted uses to agriculture and accessory uses (and one house per site) while certain types of non-agricultural uses would be permitted to enhance the "wine country image" (from "winery tasting rooms" to "bed-and-breakfast" inns). The Ruby Hill project of some 1300 acres will include up to 900 homes, a hotel, a tennis and swimming complex, a golf course, and 200 acres of vineyards, together with the rehabilitation of two old wineries; Ruby Hill and Fenestra Wineries, the latter of which is still in operation.
The Specific Plan recognizes some features are incompatible with the agricultural preserve concept, since some will be located on cultivable lands. The golf course is an example:

"Because it would enhance the attractiveness of the study area, it would be acceptable to permit the golf course to be located on cultivable land, contingent on the developer's willingness to enter into a binding agreement that, if the course were ever abandoned, the land would revert to agriculture or some other compatible open space use. To compensate for the impacts of the project on cultivable lands in the vicinity, ownership of development credits would be required."

[Livingston 1989B:2]

Ruby Hill features a "world-class" championship golf course in a vineyard setting, intended to enhance the attractiveness of a rural setting, which will also be conducive to investment for increasing vineyard acreage and production.

The Specific Plan proposes a compensation system in place of zoning which, in view of development pressures in the valley, may prove inadequate. The County would award development credits to agricultural preserve landowners for transfer to other sites suitable for development. "Credits would be granted in exchange for the permanent surrender of development rights." Agricultural preserve lands would constitute "sending areas". Non-cultivable lands planned for residential development at densities exceeding one housing unit per acre would constitute "receiving areas". However, the plan does not set the guaranteed value of "transfer development credits" (TDCs) and recommends that it should be left flexible, to reflect current market conditions, "based on the value of the land for development at the time minus its value for agricultural use." This is a fundamental tenet of the TDC (and TDR) system. [Livingston 1989B:3-4] {23}
The Specific Plan consultant has taken the long view of benefits the proposal will have on the entire Livermore area: "Creation of the agricultural preserve, establishment of the TDC system, and revision of the present zoning to conform with the plan possibly could reverse the trend of not renewing Williamson Act agreements." Passage of the proposed bond issue or creation of a community facilities district ensures the viability of the preservation program, as "owners of lands not now under contract are likely to consider entering into new agreements, particularly if the tax advantages were significant." Such a credit plan and tax incentive policy will support viticulture for the long term. While conventional land use regulation and zoning have proven inadequate in other areas, the consultant argues on behalf of a TDC system as an optional strategy in deeding of development rights by landowners:

"free to choose whether to grant them or not. Those choosing not to grant development rights would, of course, receive no TDCs in compensation. In effect, they would be gambling that some day the agricultural zoning would be changed." [Ibid.:4]

This is akin to leveraging land uses for long term benefit while giving landowners a choice in receiving credits from the County. "These could be utilized by the landowners on properties they own outside of the preserve, or could be sold to landowners in designated 'receiving areas'." {24}

The Specific Plan also supports a "private farmland trust": "authorized to receive gifts of money and/or development rights, the trust would be an appropriate supplement to the TDC system." The consultant believes this trust could operate on a Valley-wide, County-wide or subregional basis and modelled after MALT, the Marin Agricultural Land Trust. The Citizens Advisory Committee advanced such an alternative plan. [Livingston 1988B:2:16,23; Livingston 1989B:5] {25}
Map 2.14
Specific Plan - South Livermore Valley Area
(Reproduced courtesy of Larry Livingston)
In summary of the Specific Plan, the following elements were submitted for review by the County Board of Supervisors:

1. Establishment of a 6,000 acre agricultural preserve adjacent to the southern edge of the city of Livermore, with a 40-acre minimum site requirement, and a number of development credits.

2. Identification of "receiving areas" to the south and east of the agricultural preserve that could be developed at varying densities.

3. Establishment of a development credit guarantee fund, to be financed by a county-wide bond issue.

The Livingston Plan was eventually rejected for two reasons: The Ruby Hill project approval eliminated one of two major receiving areas designated by the Plan, reducing the potential for a successful transfer system; and a County-wide bond measure for the protection of South Livermore Valley agriculture was considered infeasible.

A No Project Alternative would have the least environmental impact and, therefore, was rated as the "environmentally superior alternative". A No Project plan would have limited additional development to a few hundred residences whereas the Livingston Plan alone would result in over 3700 residential units. {26}

There was also an Off-Site Alternative, North Livermore, which is comparable in size, about 15,500 acres. This alternative was rejected for several reasons, foremost that the land is unlikely to support viticulture. The SCS survey rates the soils as "very poor" for grapes. This off-site alternative would not preserve and enhance agriculture in the South Livermore Valley. North Livermore is now the focus of new land use issues concerning Livermore's future growth. In effect, there is little room left for the city to grow and to provide needed housing. This will be the next battleground.
2.7 CEQA: Planning Process and Political Arena
The consultants' scope of work in the SLVS called for preparation of alternative land use plans based on a multitude of factors ranging from land ownership to distance from urban development. [Livingston 1989A:17] {27}

Fundamental to this framework for state-mandated planning objectives is a simple legal rationale: Land is an exhaustible resource. The purpose of planning is to "insure its preservation and use in ways which are economically and socially desirable in an attempt to improve the quality of life in California." This is the purpose of each county's planning department, a functional unit of the state.

On the community level, in California, the planning process becomes very political. Planning is a "lever used by virtually every interest on the local scene to get what it wants." [Fulton 1991:3] In reality, planning is inseparable from politics. In theory, city and county planners shape the broad contours of urban growth and land use development according to public concerns. But "the specific pattern that appears on the ground is created ultimately by private investors seeking to maximize financial gain." Nevertheless, "citizen groups have gained tremendous leverage over the land use process in recent years." [Fulton 1991:4]

The place of contention in the planning process is the land, treated by planners and landowners alike as both a resource and commodity. An appropriate definition of land use planning as the specific aim of the planning process is: "the process by which governmental agencies determine the intensity and geographical arrangement of various land uses in a community": urban, suburban, rural and even regional. This thesis emphasizes the geographical scope. [Fulton 1991:5]
The legal structure of California planning entails a range of State laws, but for all purposes there are three basic tools of land use planning: The General Plan, Zoning (Ordinance), and the Subdivision Map (Act) \{28\}

In implementing these planning tools, the most important legal authority is based on "police power". Accordingly, the courts have interpreted the use of police power in dealing with land use as "elastic". [See Longtin 1987:43] \{29\}

Outside governmental planning, two groups play an important role in the planning process, especially in California, "developers" and "citizen groups". These two groups drive the planning process as much as legislators, judges or bureaucrats. Over the past 20 years, State and federal laws designed to encourage citizen participation have narrowed the gap between developers and citizens, most notably the National Environmental Policy Act of 1969 (hereafter NEPA) and the California Environmental Quality Act of 1970 (hereafter CEQA). "Citizen enforcement" powers now give the citizens the right to sue local governments if certain planning procedures are not followed.

Now, when negotiations occur between a developer and a city, citizen groups will as a rule also be at the "table" to discuss issues. This was the case, in an indirect manner, when the City of Livermore became involved with Signature Properties over the proposed Ruby Hill development. Citizen group activism was in evidence, including the Friends of the Vineyards, the Fertile Crescent Coalition, the Greenbelt Alliance, and the Sierra Club local chapter, among others. [See Chapter 3: Section 3.3]
Most important among the objectives of the SLVS, the consultant established a Citizens Advisory Committee which addressed the critical land use issues, including alternatives affecting landowners and their properties. The CAC also draws from local citizen groups with vested interests always skeptical about centralized control of the land surrounding their community, reflecting the old adage about City Hall.

Planning is "prospective" while zoning per se is "prescriptive." [Fulton 1991:48] In California, zoning is supposed to implement the General Plan whereas historically zoning developed as a legal system in the U.S. {30}

Planning attempts to define a neat and orderly development pattern. Zoning is a more or less restrictive process which delineates individual parcels of land or buildings. Whenever, citizen groups become involved, the planning process can be extended indefinitely and often in a combative manner, which focuses on land use conflicts between developer and the community's (public) interests. The public has little choice in matters regarding zoning ordinances within the city limits, but citizens are entitled to debate the future of "unincorporated" land within their community.

While the constitutionality of zoning as police power has been upheld by the courts [Euclid vs Ambler 272 US 365 (1926)], both planners and land use lawyers have been for years applying the legal tenets to zoning ordinances throughout the country. With the advent of "suburbia", planners would create "exclusive" zoning, permitting only one land use in each zoning district. Separation was facilitated by the automobile, evolving together as the "Land Use" and "Circulation" elements of the General Plan, especially as applied to California planning law.

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The first specific requirement of General Plans had to contain at least these two elements. Now there are dozens of "elements" required in the formulation of the General Plan, whether local or County. This entails a more complex planning process which must conform to State-mandated environmental laws whether initiated by the city or the county. NEPA and CEQA have had a profound effect on planning by establishing systems of environmental review for all development projects in California. Unlike restrictive zoning, CEQA mandated established procedures -- Environmental Impact Reviews (EIRs or EIStatement, in federal terms, sometimes called a programmatic EIS) -- be designed to assure that in land use planning each parcel of different characteristics were taken into account. The entire planning process was opened to public participation and "citizen power" initiatives. Perhaps the most dramatic example of this was the passage of Proposition 20 in 1972 (The "Coastal Initiative"). {31}

CEQA was designed, in effect, as a law to empower ordinary citizens. This entails "public access to the information" (about a project's environmental impact) which implies citizen groups have many legal steps to gain access to information for a determination of future land use policy issues affecting their local (public) domain, whether its within city limits or county-wide. [See Guide to the California Environmental Quality Act ]

By the mid-70s "citizen groups and activists forced onto the land use agenda the social and environmental costs of development that zoning had never addressed." This new social agenda left a lasting mark on California's geopolitical landscape for the past twenty years. [Fulton 1991:59]
With an increasing trend towards contentious regional issues affecting open space and with attention to the unique properties of potential land uses, CEQA becomes more focused. CEQA is a single-issue law concerned with one aspect of public policy, environmental protection, that overlaps with planning. But CEQA's primary role is informational, not to enforce land use decisions. CEQA has four functions:

1. To inform decision-makers re: significant environmental effects;
2. To identify ways to avoid environmental damage;
3. To prevent avoidable environmental damage;
4. To disclose to the public why a project is approved even if it leads to environmental damage.

[Fulton 1991:150] [Chart 2.1] {32}

CEQA's procedural nature has made it perhaps the most litigated environmental law on record. No state agency wields the administrative power to enforce CEQA. It is designed to be enforced by citizens through litigation. {33} Local government must follow a 3-step process in applying CEQA to a particular development project. These are: STEP 1: Is the Action in Question A "Project" under CEQA? STEP 2: The Initial Study; and STEP 3: Environmental Impact Report.

The SLVS is a classic Initial Study which was contracted to a consultant and which led eventually to the filing of a Draft EIR. In the Initial Study a local planner or consultant utilizes a checklist to assess all the environmental factors and determine if the project may have significant environmental impacts. If there is none, the project is signed off with a "Negative Declaration" and filed according to the terms of CEQA law. But a simple "No" on the checklist will not suffice by itself. It must be accompanied by an explanation of why there will be no EIR. {34}
An EIR is the heart of CEQA law. There are several types of EIRs from which to choose, when it has been determined from the Initial Study that the project may produce environmental effects: (1) General Plan EIR; (2) Program EIRs and "Tiering"; and (3) Draft and Final EIRs.

The outcome of the SLVS was the "South Livermore Valley Area Plan" a Draft EIR. It is a textbook of an EIR which deals with a series of related actions that may occur under one program. The allied concept of tiering is used in dealing with very large projects which will be reviewed and built over a long period of time. Ultimately, the Draft will become the Final SLVAP, which will incorporate all "comments and responses" from all interested and concerned individuals and organizations: citizen groups, lobbying organizations, public utilities and state and federal agencies.

The significance of the South Livermore Valley Study is the consultant appointed a Citizens Committee to advise the local government on prospective land use decisions. Citizen input did not wait until the Final EIR, but was recognized from the outset as integral to the forthcoming planning process which takes place in the political arena of public hearings and evokes considerable political discussion among citizens, landowners, and planning commissioners. Everything becomes public record. This is to the advantage of local activist agendas to be on record, making known their stand on issues.

In the era of "growth-control" movements, especially vocal in the state of California, the entire EIR process benefits the power of citizen groups. CEQA was designed to serve the public, not landowners though the California Supreme Court has expressed another opinion (Case of Citizens of Goleta Valley versus Board of Supervisors - 1990)
CEQA PROCESS FLOW CHART

Public Agency determines whether the activity is a "project"

Project

Public Agency determines if the project is exempt

Not Exempt

Public agency evaluates project to determine if there is a possibility that the project may have a significant effect on environment

Possible significant effect

Determination of lead agency where more than one public agency is involved

Responsible Agency

Lead Agency

Respond to informal consultation

Consultation

Lead agency prepares initial study

Lead agency decision to prepare EIR or Negative Declaration

EIR

Lead agency sends Notice of Preparation to responsible agency

Lead agency prepares draft EIR

Lead agency files Notice of Completion and gives public notice of availability of draft EIR

Public Review Period

Lead agency prepares final EIR including responses to comments on draft EIR

Consideration and approval of final EIR by decision-making body

Consideration and approval of Negative Declaration by decision-making body

Findings on feasibility of reducing or avoiding significant environmental effects

Public Review Period

Decision on project

State Agencies

Local Agencies

File Notice of Determination with Office of Planning & Research

File Notice of Determination with County Clerk

State Agencies

Local Agencies

File Notice of Determination with Office of Planning & Research

File Notice of Determination with County Clerk

Decision on permit

Chart 2.1 CEQA Process (California Environmental Quality Act)

(Source: California State Clearinghouse Handbook July 1991)
While the "rotteness of the CEQA process makes meaningful public debate more difficult to achieve", the courts continually impose new requirements on the CEQA planning task. This has the effect of making CEQA a "moving target that local governments have a hard time dealing with." [Fulton 1991:171]

The post-Proposition 13 political reality, as well as economic forces within California, have set ongoing battles over land use between competing cities, most acutely between "pro-growth" and "no-growth" (or slow-growth) cities. This has typified the political scene in the Livermore valley between the cities of Livermore and Pleasanton for several years. But CEQA has not changed the geopolitical direction of these competing urban forces.

While CEQA as a "process-oriented state law" may have little effect on the short-term political agenda, it may be argued that CEQA's processes over time will have a lasting effect on the environmental consciousness and perception of the pending impacts of new projects on the region, eliciting a full range of public debate. This was the idea of CEQA in the minds of legislators who drafted the law. This means that any future development will take much longer to process and cost more to produce (as any real estate product).

The entire EIR process for the South Livermore Area Plan would take five years, perhaps a reasonable time for a major project. Every conceivable impact is cited and referenced to environmental law and cited for mitigation (summarized in Chapter 3). Prior to this, the South Livermore Study required a very thorough "analysis" which eventually filled two volumes of technical memoranda. Nevertheless, this begs the question: "How much analysis is enough?". {36}
The nature of formulating an EIR requires so much data and supporting documentation that rarely can one planning department assume responsibility for doing it all. Even the need for so much data is not enough. EIRs must also address a range of "reasonable" alternatives, including a "No Project" alternative. The project can be approved even if there are adverse environmental effects. If so, it requires a range of mitigation measures which may include anything from replanting cut trees to carpool commuting programs. The entire social and economic costs must be incorporated into such "plans". An amended CEQA law (1988) mandates a requirement that local government (County) establish a program to monitor the mitigation measures required of developers. [Public Resources Code 21081.6]

If a project is subject to "discretionary" approval, the CEQA-identified mitigation measures may form the basis for the conditions of approval (which can number dozens). Normally a project will be approved, but the developer will have to implement its own "mitigation measures" to lessen the environmental impact. In recent years, any large-scale negotiated solutions between a city or county and a developer have been incorporated into development agreements (DAs); a "contract" intended to provide security for both sides. {37}

The "Development Agreement" Law (1979) envisioned developers would be willing to make major ("upfront") infrastructure investments in exchange for their vested rights to build, especially on a long-term, multi-phase project. "In theory, DAs must conform with local (County) General Plans, but the law specifically classifies DAs as legislative in nature. Hence, they are subject to initiative and referendum, and have on occasion been turned down by the voters." (a recent phenomenon in the public arena) [Fulton 1991:202] {38}
The problem with DAs is they may unfairly exclude citizen groups or attempt to circumvent their efforts. While DAs take into account "property rights" they are also obliged to go through a "notice-and-public-hearing" process. Recent history shows DAs are popular in the rapidly growing counties (e.g., Orange and Riverside). But the result is that the counties will tend to rush through DAs prior to the election on any growth-control initiatives put on the ballot. Therefore, citizen group initiatives tend to be short-circuited.

The Livermore valley situation presents a new version of the planning process initiated on the County level and which recruited citizens as consultants. Development interests were recognized but they would be addressed as a consequence of litigation on a specific project approved by the county, the "Ruby Hill" development on unincorporated land. The solution to the contentious issues was to draft a series of EIRs, beginning with the specific project and later for the entire South Livermore valley plan; then drafting the necessary mitigation measures in the form of development fees.

In the post-Proposition 13 era, this appears to be a practical solution which satisfies developer's interests and gives the city security to plan for the future without the burden of increased infrastructure costs. The increased clout of the citizenry tends to focus more attention on the developer paying for the costs of doing business in the community, whether "pro-growth" or "slow-growth". Strict regulation was once the only way governmental agencies could protect land from development. Now purchasing "development rights" is in vogue instead of trying to protect the property itself. Instead of transferring rights, the idea is to buy these rights in the form of "conservation easements", which can be a condition of further development. [Fulton 1991:197]
The South Livermore Valley Study completed its CEQA mandate by presenting a range of alternative methods for preserving and expanding viticulture. No recommendations were presented in its Initial Study, but the report evaluated several basic regulatory alternatives based on a range of criteria: overall density, number of housing units, agricultural acreage preserved, contiguity of agricultural sites, legality, cost of administration, economic feasibility, equity to landowners, adverse environmental effects, competition for agricultural water supply, new infrastructure, effect on Williamson Act contracts, consistency with general plan policies and, implications for lands outside the study area. The most important regulatory alternatives discussed include:

1. Maintain present zoning with some exceptions (100 acres)
2. Transitional Zoning
3. Revise Minimum Site Area
4. Compensatory Zoning
5. Allow splitting off second homesite on cultivable lands
6. The Transfer Development Credit (TDR) system

Supplemental legal methods were also discussed with merit:

1. Development Rights Purchase
2. Private Farmland Trust
3. Integrated Agriculture/Tourism promotion program
4. Continued use of Williamson Act contracts

The SLVS gives greater emphasis upon regulatory alternatives instead of more traditional methods of land use regulation - zoning and subdivision, because they are the actions that the County's Steering Committee would choose among to attain the goals of agricultural land preservation and expansion. Supplementary methods could complement land use regulations. Following a long process of meetings and public workshops, the Citizens Advisory Committee, property owners, developers, and residents arrived at a consensus on specific goals and objectives for rejuvenating the South Livermore Valley as a wine region: the "South Livermore Valley Area Plan".
CHAPTER THREE: The South Livermore Valley Area Plan

Overview

The South Livermore Valley Area Plan is a land use policy document affecting some 15,500 acres of unincorporated Alameda County. From the "Study Area" to the "Plan Area", the South Livermore Valley Area Plan has evolved through the environmental review process as a "program EIR": 

"(a document) intended to inform the public and decision-makers about the potential impacts that could result from adoption and implementation of the proposed Plan. Proposed impacts are identified, to the extent possible, even if those impacts would be the result of future activities. Future development will require separate, more detailed environmental review of project-specific impacts and mitigation measures. To the extent that cumulative impacts of the project are identified in this document, this (program EIR) can be referred to in subsequent environmental review to address those cumulative impacts."

[SLVAP-DEIR 1992:II-152]

The South Livermore Valley Area Plan (SLVAP or Plan) seeks the recognition, protection, promotion and enhancement of the South Livermore Valley as a unique, historic wine-producing region with the following objectives:

(1) Expansion of viticulture from current 2100 acres to a minimum goal of 5000 acres;

(2) Prohibit additional development unless it directly furthers the "Plan" purpose of expanding and enhancing "cultivated agriculture" [County's definition thereof];

(3) Limit further urbanization within the Plan Area to areas under city jurisdiction. Create a permanent boundary between Livermore and Pleasanton; Livermore and South Valley;

(4) Develop additional wineries and other uses to promote the area as a "premier wine-producing area";

(5) Form a "land trust" to permanently protect productive lands.
As a program EIR, the Plan analyzed and addressed all cumulative impact criteria. The Alameda County Board of Supervisors approved the Plan (2/23/93) that will now revise the County General Plan. [SLVAP-DEIR 1992:III-2] [ Chart 3.1]

3.1 The Vineyard Area: A "Cultivated Agricultural Overlay District"

In the Area Plan, land is divided into four land use categories for environmental and economic analysis: (1) the Vineyard Area; (2) Transitional Area; (3) the Livermore Gateway; and (4) Ruby Hill. The Vineyard Area is the largest and most important planning subunit, containing 12,200 acres, with distinct land use policies and standards. The County estimated about 2000 acres are in vineyards in the South Livermore Valley. The Vineyard Area represents the total area within which development can occur and vineyards maximized. Development will be conditional. Current agricultural zoning would be retained (100 acres per unit, designated "A-1"). Vineyard acreage will mitigate development in the Vineyard Area. Lands classified in the Plan Area include cultivable lands, potentially cultivable lands, existing and new vineyards. [SLVAP-DEIR 1992:III-3] [ Map 3.1, 3.2 ] { 2 }

The Vineyard Area would be expanded provided that a candidate parcel (or group) meet the following criteria: (1) It is contiguous to the existing boundary; (2) It contains at least 40 acres of land less than 25 per cent slope; (3) Applicant parcel demonstrates "significant agricultural potential" and (4) Applicant submits a Planned Unit Development application satisfying criteria of a "Cultivated Agricultural Overlay District". Urban development within the Vineyard Area must include at least one facility that would promote the South Livermore Valley as a premium wine-producing region; such as a cultural arts center, resort hotel, wine museum, or conference center. [SLVAP-DEIR 1992: III-3 ]
LEAD AGENCY
Prepares the Initial Study

Lead Agency prepares decision to prepare EIR or Negative Declaration

Lead Agency sends Notice of Preparation to Responsible Agency

Lead Agency prepares Draft EIR

Lead Agency files Notice of Completion and gives public notice of availability of Draft EIR

{PUBLIC REVIEW PERIOD}

Lead Agency prepares Final EIR including responses to comments on draft EIR

Consideration and approval of Final EIR by decision-making body

Findings on feasibility of reducing or avoiding Significant Environmental Effects

Decision on Project

Chart 3.1 - SLVAP "Program EIR" Process
(Adapted from SLVAP-DEIR 1992 and CEQA, 1970)
The County land use policy in the Vineyard Area establishes a "Cultivated Agricultural Overlay District" as coterminous with the Vineyard Area. A Cultivated Agricultural Overlay District (hereafter CAOD) would result in a maximum gross density of 20 acres per dwelling for lands less than 25 percent in slope, provided certain conditions are met. Residential and commercial establishments (e.g., bed and breakfast) would be subject to a "site development review" by the County planning department. [Map 3.3] {3}

The SLVAP is clear about proposed development within the Vineyard Area: "Permitted and accessory uses normally allowed under the A (Agricultural) District shall be restricted to preclude incompatible uses within the Overlay District. The Overlay District base density will be 100 acres per homesite." [SLVAP-DEIR 1992: III-2; Revised Draft 1992:5]

The distinctive feature of the Vineyard Area CAOD is the option for a density bonus of up to four additional homesites per 100 acres. As an economic incentive, a density bonus may be granted if certain conditions are met: (1) The applicant can demonstrate it will contribute substantially to the goal of promoting viticulture or other agriculture; and (2) If the land meets criteria which conform to minimum environmental and site design criteria. Hence, County land use policy is an agenda promoting a unique Vineyard Area which in the early stages was an agricultural preserve. Development options are allowed only with strict guidelines.

County policy prohibits any subdivision of existing vineyards within the Cultivated Agricultural Overlay District if it results in a net loss; and limits subdivision to a maximum of 100 acres per year to maintain a market for new vineyards. [Figure 3.1]
The CAOD specifies the procedure by which an applicant may qualify for the density bonus plan if in conformance with the following: [Revised Draft SLVAP 1992:5]

A. The applicant must show, to the satisfaction of the County adequate water supplies are available to the proposed parcels for both domestic and irrigation needs;

B. The applicant must provide evidence that the area in question has been surveyed to locate any potential plant or wildlife species of concern; and that a mitigation plan has been developed to protect sensitive or unique environs;

C. The applicant must guarantee that a minimum of 90 per cent of the parcel shall be permanently set aside for viticulture or other ("cultivated") agriculture through the dedication of agricultural easements;

D. The applicant must provide evidence that "cultivated" agriculture resulting from this program be maintained for a minimum of eight years through the use of CC&Rs or other long-term maintenance contract;

E. The applicant must pay city or county fees then in place for such properties, such as in-lieu affordable housing fees;

F. The applicant must agree to mitigate potential residential/agricultural conflicts by including a clause in the sales contract of each home referencing the Alameda County Right to Farm ordinance; and

G. The applicant must meet specific site development review standards. {4}
MAP 3.1  South Livermore Valley Planning Areas
(Source: Alameda County Planning Dept.; insets added)
MAP 3.2 Land Classifications: South Livermore Valley Area Plan

South Livermore Valley Area Plan

Alameda Co. Planning Dept.

ALAMEDA COUNTY, CALIFORNIA

Map 3.2

South Livermore Valley Area Plan

Land Classifications:

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The County established a special district overlay for the Agricultural (A) District according to the Alameda County Zoning Ordinance (January 1991). This "cultivated agricultural" district applies to all introduced and controlled agriculture, intensively cultivated, irrigated and soil amended crop-growing for commercial purposes. All permitted and accessory uses normally allowed under the Agricultural (A) District will be restricted to preclude incompatible uses. The Overlay District "base density" will be 100 acres per homesite. The CAOD specifies the procedure by which an applicant may qualify for a "density bonus" and who can demonstrate that this density bonus will contribute to the goal of promoting viticulture or other cultivated agriculture, as defined.

MAP 3.3 The Vineyard Area:
A "Cultivated Agricultural Overlay District"
(Adapted and graphically enhanced from the SLVAP brochure, 1993)
Policies for annexation and/or development at urban densities could occur if the properties have dedicated *agricultural easements*, permanently limiting development to a gross density of one residential unit per 20 acres. Criteria for urban development includes: (1) availability of necessary public services; (2) Williamson Act contracts will not be cancelled; (3) existing vineyards will not be displaced; (4) adjacency to existing urban development; and (5) mitigation of loss of agricultural soils and "significant enhancement" of cultivated agriculture in the South Livermore Valley. [SLVAP-DEIR 1992: III-3]

The proposed development potential of the SLVAP Plan "creates no new entitlements, nor does it specify densities or holding capacities for urban development". The primary goal is attaining a minimum 5000 acres of "protected vineyards and other cultivated agriculture". [SLVAP-DEIR-III-4]

The South Livermore Valley Area Plan's conceptual framework relies upon urban development to supply a fair amount of the required 5000 acres minimum. In theory, a minimum goal of 5000 acres of vineyards can be achieved with as few as 100 new density bonus parcels and assumes that the major method to reach this goal would be the creation of 20 acre parcels as "the most efficient means of increasing vineyard acreage." [Figure 3.1] [SLVAP-DEIR-III-5]

The economics of 20-acre parcels are discussed in the context of the SLVAP "Economic Study" completed for the County in 1992 [Section 3.4]. It describes the "sources and strength of market support for 20-acre vineyard parcels". Owing to the wide range of variables, a range of outcomes was projected, depending on the absorption rate of new 20 acre vineyard parcels. [Economic and Planning Systems, 1992:1-6]
A higher absorption rate of these parcels would result in a larger acreage of vineyards being planted as a result of the Plan's economic incentives. This in turn would translate into fewer "urban units" required to provide the necessary mitigation acreage to reach the Plan's goals. Conversely, a slower absorption rate for 20 acre parcels would translate into more urban units required to make up the shortfall through mitigation acreage. The Study did conclude that an absorption rate of up to 160 Twenty acre parcels over a 20 year period is attainable (8 parcels per year). This also dictates how much money is available for the proposed land trust, given the various interests to whom the parcels could be marketed. [Economic and Planning Systems, 1992]
Figure 3.2  Urban Development Mitigation Acreage Plan
(Reproduced from SLVAP brochure, 1993, courtesy A.C.P.D.)
3.2 Environmental Impact Criteria and Mitigation:

The SLVAP-EIR renders a maximum development ("worst case") scenario to identify potential cumulative impacts that could occur when land use decisions are made by the cities of Pleasanton, Livermore and/or Alameda County. The Area Plan results in the creation or expansion of three major land uses: (1) urban development in three transitional areas, including the Ruby Hill project, and land annexed to a city; (2) rural residential development in the Vineyard Area; and (3) expansion of viticultural and agricultural acreage in the Vineyard Area.

For the purposes of the EIR the potential development levels "do not reflect entitlements or endorsements of particular land uses, nor existing County or city policies" [SLVAP-DEIR: III-6]. They are only estimates of the highest level of development for each land use category (without specific densities or holding capacity) that could result from full implementation. There are also four project alternatives. [SLVAP-DEIR 1992: III-5; V-1] {5}

The June 1992 Draft EIR is in conformance with the California Environmental Quality Act (CEQA 1970). Agricultural operations, such as viticulture, are not under governmental purview and therefore not addressed by CEQA. But since the SLVAP denotes specific policies encouraging the expansion of agriculture and requires agricultural expansion to mitigate impacts of development, environmental impacts of expansion are addressed in the EIR. Furthermore, while CEQA does not require an economic study as part of the EIR process, an economic analysis was mandated by the County and completed in August 1992 by Economic and Planning Systems, (Berkeley, California) to assess the feasibility of the Plan.

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This study quantifies economic incentives and disincentives that would be created by the Plan and estimates the cost of mitigation required as well as assesses the probability of desired land use changes. The Draft Report states: "When the costs and benefits of a given change in land use status are quantified, it is possible to predict the changes in land use patterns in the Valley ... most likely to result from the proposed Plan." The study analyzed the plan except for commercial uses. [Economic and Planning Systems 1992:I-3] { 6 }

Since the entire Vineyard Area will be in a cultivated agricultural zoning district (CAOD) it permits an increase in density for rural residential development if mitigations are met: "If insufficient new and protected vineyards are created as a result of the density bonus option then limited urban development may be allowed if it meets certain criteria."

Two types of development are subject to mitigation:
(1) Rural Residential Development: Mitigation must be provided in return for the increased density - Plan requires prior to final approval, ninety percent of each parcel (18 out of 20 acres) must be planted in grapes or other cultivated agriculture; and (2) Urban Development: Minimum mitigation is required for every acre developed, one acre of land within the Vineyard Area is planted in new vineyards (or other crops) and permanently protected by the dedication of an agricultural easement. [Economic and Planning Systems 1992:II-4 and II-6]

For every unit constructed, an acre of land must be planted with new vineyards. Hence, the "more mitigation revenues raised, the more vineyard acreage can be planted and protected", thereby encouraging higher densities. [Economic and Planning Systems 1992:II-7]
The Plan restricts the amount of urban development to that which is necessary to support the goals. The County estimates to reach the goal of 5000 acres in "cultivated" agriculture in the Plan Area, there would need between 300 and 600 acres in urban development within the Vineyard Area. Finally "if the mitigation acreage as described ... is further subdivided into 20-acre vineyard parcels by the use of the density bonus permitted under the 'Cultivated Agricultural Overlay District', an additional fee of $10,000 per unit must be paid ... ." [Economic and Planning Systems 1992:II-7]

Urban development within the Vineyard Area must meet a minimum set of criteria: (1) available utilities and services; (2) a recycled water treatment system; (3) may not displace actively farmed vineyards; (4) the project site must be contiguous to existing boundaries of the City of Livermore; and (5) protect and promote viticulture through various means, in order to minimize the loss of better quality soils for wine grapes; and (6) create a logical permanent urban edge to the City of Livermore; and finally (7) establish mitigation acreage for the loss of soils.

"Mitigation acreage thus planted and protected should be contiguous to the extent possible to ensure mitigation acreage of sufficient size to form a viable agricultural unit ... a minimum of one acre ... is planted in vineyards ... and is protected through dedication of agricultural easements or each new dwelling unit permitted in the project. Require mitigation acreage for urban development be dedicated and planted (with) evidence of a long-term maintenance contract ... prior to approval of a final map ... Require that new cultivated agriculture resulting from Plan policies use water conserving best management programs, including the use of drip irrigation wherever feasible...(and) Development includes at least one major attraction that would increase recognition of the South Livermore Valley as a premium wine-producing region."

[County of Alameda, "Resolution", Feb.23, 1993:13]
The SLVAP stipulates adherence to these principles and mitigation measures to carry out the County's new annexation and urban development policies affecting the future of the South Livermore wine country. The County of Alameda has encouraged the City of Livermore to "reward development meeting the above criteria with sufficient flexibility in growth management awards to permit development in a timely and economical manner". This would include the use of joint powers, pre-annexation, tax-sharing, and/or development agreements (or other means). [Revised Draft SLVAP 1992: 10 ]

The County also requires that the Ruby Hill project be developed through the use of development agreements and pre-annexation agreements or other means according to the "Provisions of Reclassification" when it approved the Project in June 1991. These include the specific provision permitting up 850 homes and a golf course and require some 467 acres of vineyards to be planted; two wineries to be restored and the payment of mitigation fees to fund a Land Trust. Assuming 1200 urban units are approved by the County, such development will generate up to $12 million in mitigation fees. Most of these fees will be derived from the Ruby Hill project, but only following the terms of the legal settlement.

In summary, the SLVAP assumes the County's lead in directing future land use policy for the South Livermore Valley, ie., in the form of coordinated land use programs to implement the SLVAP. However, the issue of Ruby Hill, also approved by the County, complicated the terms of implementation until resolved by a lawsuit. Accordingly, the Plan is required to be in compliance with a Legal Settlement and a "Mitigation Monitoring Program". [ Chart 3.2 ] { 7 }

This entire process will reflect changes in the General Plan, at the top of land use planning in California. [ Chart 3.3 ]

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<td>Prior to first bonus density award</td>
<td>Verify inclusion in site development review standards</td>
<td>ACPD</td>
</tr>
<tr>
<td>A-2. The proposed Plan could result in inefficient parcels that may not be agriculturally viable.</td>
<td>Policy V.2-C requires that applicants for bonus density guarantee planting of vineyards or other cultivated agriculture, and assurances that it will continue to be farmed through agricultural easements.</td>
<td>Prior to bonus density award</td>
<td>Verify guarantees and provisions are in place prior to subdivision</td>
<td>ACPD</td>
</tr>
<tr>
<td>A-3. The proposed Plan could result in the cumulative loss of up to 10% of existing vineyards, together with a corresponding loss of lands identified as Prime, Unique, or of Statewide Importance.</td>
<td>Policy V.3 requires new home sites on parcels with existing vineyards to be located so that the minimum amount of vineyards are destroyed or divided, and an equivalent vineyard acreage is lost to be planted and placed under easement within the Vineyard Area.</td>
<td>Prior to bonus density award</td>
<td>Review proposed site plans and verify planting and protection of off site vineyards, if required</td>
<td>ACPD</td>
</tr>
<tr>
<td>A-4. The proposed Plan policies allowing PD zoning, additional residences and small commercial establishments such as bed-and-breakfasts on lands currently under cultivation would be contrary to County Williamson Act policies.</td>
<td>Policy IV.5 specifies that County agricultural preserve guidelines may be modified to conform with Plan policies.</td>
<td>Prior to approval contrary to existing County Williamson Act policies</td>
<td>Verify modifications to County Williamson Act policies</td>
<td>ACPD</td>
</tr>
<tr>
<td>A-5. The proposed Plan could result in urban development of lands identified by the State as Important Farmlands.</td>
<td>Amend the Livermore General Plan to comply with the proposed Plan policies.</td>
<td>Prior to amendment of rural development</td>
<td>Verify General Plan amendment</td>
<td>LPD</td>
</tr>
<tr>
<td>A-6. The proposed Plan could result in new urban development adjacent to existing or new vineyards.</td>
<td>Policy V1.0 requires urban development proposals to meet criteria that will not displace a significant amount of any vineyards or require cancellation of a Williamson Act contract, unless cancellation will result in a more compact development pattern.</td>
<td>When urban development is proposed in Vineyard Area</td>
<td>Review urban development proposals and verify criteria are met</td>
<td>ACPD; LPD</td>
</tr>
<tr>
<td>Ensure that urban development projects within the Vineyard Area include adequate buffer areas from existing or new vineyards. The City of Livermore should enact a right-to-farm ordinance. Jurisdictions should require full disclosure statements for all new urban development that is, or could become, adjacent to existing or future vineyard lands.</td>
<td>Prior to approval of additional urban development</td>
<td>Verify inclusion of buffer areas, enactment of right-to-farm ordinance and disclosure notices</td>
<td>ACPD; LPD; PPD</td>
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<td>IMPACT</td>
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<td>rication Measure</td>
<td>WHEN IMPLEMENTED</td>
<td>MONITORING REQUIREMENTS</td>
<td>AGENCY RESPONSIBLE</td>
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</tr>
<tr>
<td>Land Use</td>
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</tr>
<tr>
<td>A-10. The proposed Plan could result in urban development areas outside of the existing Sphere of Influence for the City of Livermore.</td>
<td>Amendment of the city SOI to include relevant areas.</td>
<td>Prior to annexation of proposed urban development areas that meet Plan criteria</td>
<td>Verify amendment of sphere of influence</td>
<td>ACPD; LPD; LAFCO</td>
</tr>
<tr>
<td>A-11. Urban development of Alden Lane and Vineyard Avenue areas could create conflicts with adjacent quarry operations.</td>
<td>Require new development adjacent to quarries to include measures such as soundwalls, berms, buffer zones, and placement of outdoor use areas to minimize noise and dust impacts, or staging of development until after quarrying in the immediate area is completed. Require full disclosure to potential new residents of potential impacts and quarry’s right to mine.</td>
<td>Prior to approving development in Vineyard Ave. and Alden Lane areas</td>
<td>Verify inclusion of appropriate mitigation measures and disclosure notices</td>
<td>ACPD; LPD; PPD</td>
</tr>
<tr>
<td>A-12. Urban development within the Plan Area would conflict with both Livermore and Preston General Plan designations.</td>
<td>Amend General Plans to conform with SLVAP policies, allowing appropriate urban development in the Plan Area if it is linked to the preservation and enhancement of agriculture.</td>
<td>Prior to urban development approvals</td>
<td>Verify amendment of General Plans</td>
<td>ACPD; LPD; PPD</td>
</tr>
<tr>
<td>Population, Employment and Housing</td>
<td></td>
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</tr>
<tr>
<td>B-1: New vineyards, wineries and small commercial establishments will require relatively low-wage employees, and new rural residential development is unlikely to be affordable to these workers.</td>
<td>Policy V.2-E requires rural residential development to pay in-lieu affordable housing fees. Policy V.1 retains existing County zoning permitting agricultural employee housing as a conditional use.</td>
<td>Approval of new rural bonus density development</td>
<td>Verify collection of affordable housing fees</td>
<td>ACPD</td>
</tr>
<tr>
<td>Geology, Seismicity and Soils</td>
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<tr>
<td>C-2: Implementation of the proposed Plan could increase the number of structures and people at risk from ground shaking and associated secondary effects such as landsliding, liquefaction, and differential settlement.</td>
<td>Policy V.2-G(i) requires specific geotechnical studies for new rural development located within seismic or landslide hazard areas.</td>
<td>Prior to approval of new rural bonus density development</td>
<td>Verify completion of study and implementation of study mitigation measures</td>
<td>ACPD</td>
</tr>
<tr>
<td>C-3: Implementation of the proposed SLVAP could result in the expansion of viticulture or other cultivated agriculture into areas with moderate to severe erosion potential.</td>
<td>Policy V.2 limits bonus density incentives for cultivated agriculture to areas with slopes less than 25 percent. Policy V.2-D requires long-term maintenance, and encourages proper erosion control of agricultural lands.</td>
<td>Prior to approval of new rural bonus density development</td>
<td>Verify slopes limitation. Verify long-term maintenance program</td>
<td>ACPD</td>
</tr>
<tr>
<td>IMPACT</td>
<td>MITIGATION MEASURE</td>
<td>WHEN IMPLEMENTED</td>
<td>MONITORING REQUIREMENTS</td>
<td>AGENCY RESPONSIBLE</td>
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<tr>
<td>Geology, Seismicity and Soils</td>
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</tr>
<tr>
<td>C-5: Implementation of the proposed Plan could result in additional septic systems in areas with severe septic tank limitations.</td>
<td>Policy V.2-A requires bonus density applicants to show, to the satisfaction of the County and Zone 7, that all proposed homesites can be served by septic systems. Policy V.5 requires proponents of new commercial development in rural areas show, to the satisfaction of the County and Zone 7, that it can be adequately served by a septic system.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify acceptable septic systems</td>
<td>ACPD</td>
</tr>
<tr>
<td>C-6: Additional rural residential and commercial development developed as a result of the proposed Plan could result in a loss of agricultural soils.</td>
<td>Policy V.2-C requires that, prior to receiving a density bonus, a minimum of 90% of new rural residential parcels be cultivated and under permanent protection. Policy V.2-G6) specifies site development review standards for bonus density development require that parcel lines and building envelopes be sized to minimize productive use of the land for intensive cultivated agriculture.</td>
<td>Prior to approval of rural density bonus</td>
<td>Verify planting and protection guarantees; review site plans.</td>
<td>ACPD</td>
</tr>
<tr>
<td>C-8: Additional urban development would increase the number of structures and people within the area, increasing the risk to life and property from ground shaking and associated secondary effects such as landsliding, liquefaction, and differential settlement.</td>
<td>Require geotechnical studies to be performed on a project-by-project basis and recommended measures from those studies to be implemented for all proposed urban development in areas known to be subject to landslide and seismic hazards.</td>
<td>Prior to approval of urban development in seismic/landslide hazard areas</td>
<td>Verify completion of geotechnical studies</td>
<td>ACPD; LPD; PPD</td>
</tr>
<tr>
<td>C-10: Implementation of the proposed Plan could result in the loss of soils suitable for intensive agriculture in urban development.</td>
<td>Policy V.3 requires that development within the transitional areas mitigate loss of agricultural soils by paying mitigation fees of $10,000 per acre for cultivable soils that are developed, to be used by the Land Trust to buy agricultural lands. Policy V1.2-F requires that urban development within the Vineyard Area mitigate loss of agricultural soils by planting and dedicating easements elsewhere in the Vineyard Area on an acre/acre basis, and that for every urban residential unit approved, an additional acre within the Vineyard Area be planted in intensive agriculture and protected with agricultural easements.</td>
<td>Prior to final approvals for urban development within the transitional areas</td>
<td>Verify payment of fees to Land Trust.</td>
<td>ACPD; LPD; PPD</td>
</tr>
<tr>
<td>IMPACT</td>
<td>MITIGATION MEASURE</td>
<td>WHEN IMPLEMENTED</td>
<td>MONITORING REQUIREMENTS</td>
<td>AGENCY RESPONSIBLE</td>
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<tr>
<td>Hydrology and Water Quality</td>
<td>Policy V.2-G requires site development review for all new rural residential and/or commercial development, to ensure that new structures are located outside of the FEMA-designated floodplain area.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify building envelopes are located outside of floodplain</td>
<td>ACPD</td>
</tr>
<tr>
<td>D-1: The proposed Plan could result in additional rural residences, wineries and/or other commercial establishments within areas subject to flooding.</td>
<td>Policy V.2-G requires site development review for all new rural residential and/or commercial development, to ensure that new structures are located outside of the FEMA-designated floodplain area.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify building envelopes are located outside of floodplain</td>
<td>ACPD</td>
</tr>
<tr>
<td>D-2: Agricultural activities encouraged by the proposed Plan could result in increased soil erosion and sedimentation within the arroyos, reducing their capacity for groundwater recharge.</td>
<td>Policy V.2-G requires site development review for all new rural residential and/or commercial development, to ensure that new structures are located outside of the FEMA-designated floodplain area.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify building envelopes are located outside of floodplain</td>
<td>ACPD</td>
</tr>
<tr>
<td>D-3: Additional rural residences, wineries and cultivated agriculture could result in the degradation of groundwater quality, especially nitrate levels.</td>
<td>Policy V.2-G requires site development review for all new rural residential and/or commercial development, to ensure that new structures are located outside of the FEMA-designated floodplain area.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify building envelopes are located outside of floodplain</td>
<td>ACPD</td>
</tr>
<tr>
<td>D-5: Plan implementation could result in new urban development within areas subject to flooding.</td>
<td>Policy V.2-G requires site development review for all new rural residential and/or commercial development, to ensure that new structures are located outside of the FEMA-designated floodplain area.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify building envelopes are located outside of floodplain</td>
<td>ACPD</td>
</tr>
<tr>
<td>D-6: Urban development within the Plan Area could potentially increase flood frequency and intensity downstream.</td>
<td>Policy V.2-G requires site development review for all new rural residential and/or commercial development, to ensure that new structures are located outside of the FEMA-designated floodplain area.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify building envelopes are located outside of floodplain</td>
<td>ACPD</td>
</tr>
<tr>
<td>IMPACT</td>
<td>MITIGATION MEASURE</td>
<td>WHEN IMPLEMENTED</td>
<td>MONITORING REQUIREMENTS</td>
<td>AGENCY RESPONSIBLE</td>
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<tr>
<td>Hydrology and Water Quality</td>
<td>Requires that urban development proposals include an erosion control plan that includes suitable measures outlined in the Association of Bay Area Governments' (ABAG) Manual of Standards. Requires that urban development projects include post-construction inspection and clearance of accumulated sediment from downstream drainages culverts.</td>
<td>Prior to urban development approvals</td>
<td>Verify erosion control plan and guarantees for post-construction inspection and cleanup</td>
<td>ACPD; LPD; PPD</td>
</tr>
<tr>
<td>D-4: Surface water quality could be affected by increases in urban runoff.</td>
<td>Requires that urban development projects incorporate grass-lined swales, trash racks, grease traps and catch basins as drainage elements, whenever practicable. Implement a program of regular vacuum sweeping of urban streets and parking areas.</td>
<td>Prior to urban development approvals</td>
<td>Verify inclusion of drainage elements in site plans. Verify implementation of street sweeping program</td>
<td>ACPD; LPD; PPD</td>
</tr>
<tr>
<td>Vegetation and Wildlife</td>
<td>Policy V.2-B requires new rural development to protect any sensitive or unique environmental characteristics. Policy V.2-G requires new rural development to include an uncultivated buffer area along arroyos.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verify biological mitigation and inclusion of arrayo buffer in site plans</td>
<td>ACPD</td>
</tr>
<tr>
<td>E-2: Expansion of cultivated agriculture could result in the conversion of grassland habitat, with a consequent reduction in relative habitat values, including habitat for six wildlife species of concern, and possible destruction of plant species of concern, if they occupy these areas.</td>
<td>Policy V.2-B requires a field survey by a qualified biologist to locate any potential plant or wildlife species of concern. Policy IV.2-F specifies that the South Livermore Valley Agricultural Land Trust protect critical habitat areas.</td>
<td>Prior to approval of rural bonus density</td>
<td>Verit completion of field surveys and inclusion of mitigation measures. Verify inclusion in Land Trust charter.</td>
<td>ACPD</td>
</tr>
<tr>
<td>E-4: Agricultural use of 3,250 acres of the Plan Area could result in contamination of aquatic habitats and eutrophication of aquatic systems by fertilizers, herbicides and pesticides.</td>
<td>Refer to hydrology mitigation measures above.</td>
<td>Refer to hydrology mitigation measures above.</td>
<td>Refer to hydrology mitigation measures above.</td>
<td>ACPD</td>
</tr>
<tr>
<td>E-5: Urban development resulting from implementation of the proposed SLVAP could result in the loss of riparian, wetland and/or oak woodland habitat.</td>
<td>Requires project-specific biological surveys to be conducted for all urban development proposals to identify all significant riparian and wetland areas, and should include a oak tree preservation plan, if warranted. Riparian areas and wetland areas shall be avoided to the extent possible. A minimum setback from top of bank of 100 feet should be maintained for all arroyos to maximize their use as wildlife corridors.</td>
<td>Prior to urban development approvals</td>
<td>Verify completion of biological surveys and inclusion of necessary mitigation measures</td>
<td>ACPD; LPD; PPD</td>
</tr>
</tbody>
</table>
Chart 3.3  Hierarchy of Land Use Planning in California
(Source: California General Plan Summary. Copyright 1994 MTB Graphics)
3.3 Land Use Litigation: Livermore versus the County:
The Ruby Hill project site area is located on 1300 unincorporated acres in South Livermore Valley. The cities of Livermore and Pleasanton are nearby the site, roughly a triangular set of parcels that extend from the Arroyo del Valle drainage on the northeast to Vallecitos Hills on the southwest. Highway 84 establishes the boundary on the southeast. Existing land use is about 270 acres of farmland and abandoned vineyards; 30 per cent is in fallow. Ownership has been in transition for years. Wente Bros. owns the vineyard lands now used for grazing. [Map 3.4] {8}

Alameda County approved the subdivision and related development of the Ruby Hill project in June 1991. Based upon its concern with environmental protection and County approval of urban development in proximity of the City boundaries, Livermore filed a lawsuit against the County. The reasons for litigation were several, primarily because County approval "set the precedent for urban development in unincorporated areas and thereby set the stage for other projects in the Vineyard Area". [City of Livermore 1992A:1]

The approval of Ruby Hill was a departure from policy statements in the County General Plan which required "new urban development wherever feasible to take place through annexation to an existing city." [County of Alameda General Plan 1992; City of Livermore 1992A] From the standpoint of Livermore, the County disregarded General Plan policy by approving a project that was 100 per cent in the City of Pleasanton "Sphere of Influence". In the request to be annexed to Pleasanton, the Ruby Hill project created another issue, inviting further litigation. Annexation by Pleasanton would bring its "Sphere of Influence" across state route 84 (Vallecitos Rd.) into South Livermore. [Map 3.5] {9}
The rationale of the lawsuit against the County of Alameda was an inadequate EIR of the Ruby Hill project and a poorly drafted County General Plan. Development was contrary to Livermore's General Plan. For months, County staff met with representatives of the City of Livermore and the developers to settle the litigation out of court. This led to subsequent "settlement conferences" over several months involving the principal parties: The City of Livermore, City of Pleasanton, County of Alameda, and Signature Properties, the developer. The project applicants proposed a reclassification of the PD District (Planned Unit Development) from A-l (Agricultural zoning) to allow the Ruby Hill project, which required a General Plan Amendment. {10}

There were three main issues: (1) Annexation: Livermore charged that the County's Local Agency Formation Commission (LAFCO) "historically has worked against Livermore in determining SOI." (Sphere of Influence) Livermore demanded that anything urban be annexed to the city (2) City-centered development: Livermore approved of the County's "conceptual" plan to promote a revised SLVAP with a commitment to "city-centered development", discouraging and minimizing development of existing vineyards and lands suitable for viticulture; and (3) Environmental concerns: (a) circulation and re-routing of State 84; (b) building a sewer treatment plant, paid by developer; and (c) maintaining native habitat, also paid for by the developer; the latter would become another issue in public hearings. [City of Livermore 1992A:1]

While the Ruby Hill project evolved as part of a proposed settlement of city-initiated litigation, the Project itself is primarily directed by public policy objectives. Public policy should therefore remain the same between Livermore and the County: to protect and expand agricultural and viticultural resources in the Livermore valley.
Replanted vineyards
spring 1994

LEGEND

- Fallow Vineyard
- Existing Vineyards (abandoned)
- Olive Trees
- Oak Woodland
- Valley Oaks
- Pine Tree Grove
- Valley Grassland
- Agricultural Row Crops
- Riparian Vegetation

Map 3.4  Land Use and Vineyards on the Ruby Hill Site
(Graphic enhanced version from Ruby Hill EIR, 1991)
LEGEND

- Park Land
- Vineyard
- Agriculture and Open Space
- Williamson Act Contracts
- Suburban and Low Density Residential Housing
- Rural Density Residential Housing
- Sand and Gravel Mining

Map 3.5 Ruby Hill Site in Relation to Surrounding Land Use
(Reproduced from Ruby Hill EIR, 1991 AIP Associates)
It is incumbent upon the cities of Livermore, Pleasanton, and the County to have coordinated land use programs to achieve these objectives. The Plan mandates such public policy. The settlement conferences resulted in greater understanding by the city of Livermore regarding the need for mitigating urban development with new vineyard plantings as proposed in the Ruby Hill development and the SLVAP concept.

Livermore's requirements to reach settlement included the following points: (1) Annexation of land adjacent to the Ruby Hill project to prevent further expansion eastward of the City of Pleasanton (a permanent border between the cities); (2) Revision of the SLVAP concept to reduce overall holding capacity in the Valley with focus on "city-centered" urban development; (3) Contribution by the developer of up to $5 million for a demonstration "reverse-osmosis" wastewater treatment plant; and (4) Use of cumulative traffic impact fees for a realignment of state route 84 (Vallecitos Road).

The City of Livermore initiated the "Alden Lane/South Vineyard Avenue Area Project" in June 1992 and included these actions: General Plan Amendments; an SOI expansion; Annexation; Pre-zoning; Zoning Ordinance Text amendments and adoption of Conservation Easements. The Initial Study (of the project) stated "the proposed project, as mitigated will not have a significant adverse effect on the environment. An EIR is therefore not required." This means that a "mitigated negative declaration" was approved by the City of Livermore.

Livermore's certification of a negative EIR must be viewed as part of the settlement between City and County over the Ruby Hill project. The City of Livermore therefore initiated its own planning agenda to resolve outstanding issues while satisfying the basic requirements of the South Livermore Valley Area Plan. [City of Livermore 1992A ]
The Ruby Hill lawsuit was a catalyst to encourage all jurisdictions to formulate coordinated planning actions, which include: (1) General Plan Amendment; (2) Expansion of the City of Livermore's Sphere of Influence; and (3) Adoption of "Conservation Easements" as part of the City of Livermore initiated "Alden Lane/South Livermore Avenue Area Project". [Map 3.6 and Map 3.7]

The "Alden Lane" project includes five proposed General Plan amendments, the most significant is: To create a new land use designation, "Agriculture/Viticulture" (100 acre site minimum) which is consistent with the proposed South Livermore Valley Area Plan. This land use category would authorize 100-acre agricultural parcels and provide a density bonus to four additional homesites per 100 acres. The density bonus would be granted if certain criteria are met, most important of which is: prior to final subdivision, "a minimum of 90% of the parcel is planted in wine grapes or other cultivated agriculture ... and agricultural homesites, ancillary uses, and parcel configuration are sited to maximize productive use of the land for intensive cultivated agriculture." [City of Livermore Staff Report 1992A: 2-3]

The General Plan Amendment changes current land use designations on parcels totalling 700+ acres from "Range and Grassland" to "Agriculture/Viticulture" (hereafter "A/V"). A new zoning district "Planned Development/Agriculture" is created to implement this Amendment. As part of the mitigated SLVAP and to create an urban/rural buffer, the City will enter into conservation easements on five parcels of the 700+ acres of "A/V" designated area. To facilitate these easements, the City of Livermore initiated an application to expand its Sphere of Influence in order to include the total area of 1200 acres, including 24 parcels, to be incorporated within the new city limits. [Map 3.7] {11}
Landowners within Proposed Annexation

Nos. 1-29 Vineyard Ave. Corridor
30-36 Ruby Hill site

Nos. 31,32,35,36 Former Property of R.C. Church

Map 3.6 Pleasanton Annexation Area and Ruby Hill Site
(Reproduced with permission of Livermore Planning Dept.)
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Livermore's objectives are: (1) create a permanent boundary between Livermore and Pleasanton; (2) create a permanent urban boundary between the Livermore and the South Livermore Valley; (3) create an "urban edge" along Livermore's southern border (note: planner's terminology); (4) accommodate remaining South Livermore valley urban development within Livermore's city limits; (5) coordinate land use planning in the Plan Area between the county and the cities of Livermore and Pleasanton; and (6) develop additional wineries.

An agreement on these points would cost the County little, while providing potential for considerable gains, including the following benefits: (1) remove any impediments to the Ruby Hill Project with increased cooperation between cities and County; (2) accept validity of using agricultural easements by both Livermore and Pleasanton; (3) buy-in to formation of a South Livermore Agricultural Land Trust funded by mitigation fees. County staff worked with Livermore toward a revised "South Livermore Valley Area Plan Concept" that would be acceptable to the City and yet achieve the County's goal of sustaining a wine-producing region. Since the South Livermore Valley Study began in 1987, the aims of Alameda County, Livermore, and Pleasanton have been to preserve and enhance viticulture in "unincorporated" areas. { 12 }

For several years, the competition for space has resulted in conflicts over the annexation of unincorporated land between Livermore and Pleasanton. Now, settlement between all parties would allow the SLVAP Concept to become a framework within which land use issues were resolved by deferral to conservation easements handled by a Land Trust. Without a Plan, further land use battles will impede a chance of controlling urban sprawl and the parcelization of vineyards.
COUNTY OF ALAMEDA +++ City of LIVERMORE +++ City of PLEASANTON

[ Approved Ruby Hill ] [ Filed Lawsuit ]

[Provisions of Zoning Reclassification]

[S E T T L E M E N T C O N F E R E N C E]
{ All parties, including the developer Signature Properties }

Legal Settlement: "Ruby Hill" Terms of Agreement

Alameda County BOARD OF SUPERVISORS "RESOLUTION"

South Livermore Valley Area Plan

DEIR
FEIR

South Livermore Agricultural Land Trust

[* Legally binding ]

Chart 3.4 - Schematic of "Ruby Hill" Legal Settlement Process
[ Terms of agreement effective October 1991 ]
Map 3.7 Alden Lane/Vineyard Avenue Annexation

(Reproduced with permission of Livermore Planning Department)
IN THE CITY COUNCIL OF THE CITY OF LIVERMORE
STATE OF CALIFORNIA

A RESOLUTION APPROVING SETTLEMENT AGREEMENT AND
AUTHORIZING EXECUTION OF CONSERVATION EASEMENTS

The City of Livermore on July 15, 1991, initiated litigation
challenging the County of Alameda's approval of the Ruby Hill
development project, in an action entitled City of Livermore v.
County of Alameda, et al., Alameda County Superior Court No. 683426-
1 (the "Litigation"). Since the filing of the Litigation,
representatives of the City of Livermore, the County of Alameda,
and Signature Properties (the developer of the Ruby Hill project)
have conducted detailed discussions and negotiations in an effort
to settle the Litigation. The City of Pleasanton and affected
property owners have also participated in these discussions.

The parties to the Litigation have prepared a settlement
agreement and related documents and agreements which, if approved
and executed by the parties to the litigation, will lead to
dismissal of the pending Litigation.

The City Council has reviewed and considered the draft of the
settlement agreement dated July 30, 1992, and the drafts of the
related preannexation agreements and conservation easements dated
July 31, 1992. The City Council on August 10, 1992, held a public
hearing concerning the proposed approval of these documents and
related regulatory actions.

The City Council determines that approval and implementation
of these agreements will assist in the preservation and enhancement
of viticulture and agriculture in the South Livermore area, will
establish a permanent boundary and open space buffer between the
cities of Livermore and Pleasanton, will assist and encourage the
adoption of a balanced plan for the remainder of the South
Livermore Valley, and will establish appropriate land uses in the
Alden Lane and South Vineyard Avenue area.

Now, therefore, be it resolved that the City Council of the
City of Livermore:

1. Authorizes execution by authorized representatives of the
City of Livermore of the following documents, subject to minor
technical revisions approved by the City Attorney:
   a. The settlement agreement between the parties to the
   pending Litigation as set forth in the draft agreement dated July
   30, 1992;
   b. Conservation easements relating to the Signature,
   Detjens and Kalthoff properties as set forth in the draft easements
dated July 31, 1992;
   c. Preannexation agreements for the RMC Lonestar,
   Northern Topham/Michael, Southern Topham/Michael, Catholic Church,
   Detjens, and Kalthoff properties as set in the draft agreements
dated July 31, 1992, subject to approval by the City Council of
general plan amendments, prezoning, and mitigated negative
declaration relating to these properties.

2. Directs staff for the City to undertake any and all steps
necessary to carry out and implement the provisions of the
foregoing agreements.

APPROVED AS TO FORM:

[Signature]
CITY ATTORNEY

Document 3.1  "Terms of Agreement": Ruby Hill Settlement
(Reproduced with permission, Alameda Co, Board of Supervisors)
3.4 The 20-Acre Plan: Land Use Analysis and Market Assessment:

The SLVAP could result in up to 290 new rural residences at a density of one unit per 20 acres; up to 3,260 additional acres of vineyards or other agriculture; up to 25 bed-and-breakfast establishments; and 20 additional wineries. The cumulative impact of population, housing, and employment would not be addressed by CEQA. The Draft EIR would consider it a significant impact if the proposed Plan contributed to a jobs/housing imbalance. Using the Association of Bay Area Governments multipliers, potential urban development in Livermore from Plan policies would generate a population increase of about 6000 people, 6 per cent above an anticipated population in the year 2010. [ABAG, 1992] (13)

In economic terms it is necessary to quantify the incentives or disincentives created by the proposed SLVAP. Knowing the costs and benefits of a change in land use, it is possible to predict changes in land use patterns in the South Livermore valley likely to result from the Plan. The Plan aims to remove some uncertainty about future land use and to reduce the speculative element in the real estate market. (14)

Future land use development is addressed in the final resolution adopted by the Alameda Board of Supervisors (2/23/93). The South Livermore Valley Area Plan:

"specifies that future urban development will only occur within the jurisdiction of Livermore and Pleasanton. Therefore, impacts associated with urban development are outside the responsibility and jurisdiction of Alameda County. The EIR identifies measures available to these jurisdictions to mitigate impacts that may occur as a result of new development."

[Alameda County, Board of Supervisors 1993:8]
Conflicts between residential and agricultural areas can be mitigated by Livermore and Pleasanton ensuring that urban development includes adequate buffer areas between residential areas and agriculture; by enacting a right-to-farm ordinance, similar to that of Alameda County; and by requiring full disclosure statements for all new urban development adjacent to agricultural lands. {15}

In drafting the SLVAP, incentives and mitigation measures were developed using the best estimates about land values, cost of vineyard, demand for parcels, urban development and the average cost of an agricultural easement. Considering the variables, outcomes were projected depending on the absorption rate of new 20-acre vineyard parcels. The "Economic Study" by County consultants estimated the average agricultural value of a 20-acre vineyard parcel with a homesite to be $550,000 – 580,000. Average net profit from sale of wine grapes would be approximately $1000 per acre, making it unlikely that owners of 20 acre vineyard parcels would be able to subsist on grape income alone. The study concluded that absorption of up to 160 twenty acre parcels over a 20-year period (at 8 parcels a year) would be reasonable. [Economic and Planning Systems 1992]

The Plan creates a strong economic incentive to subdivide existing vineyards into 20-acre parcels, which would result in agricultural-residential conflicts and/or overall loss of productivity. Consultants of Economic and Planning Systems, Inc. suggest that existing vineyards be required to take density bonuses in the form of off-site rural residential lots. For example, for every 100 acres of existing vineyards placed under easement, five off-site clustered rural residences could be built, thus eliminating the possibility of new 20 acre home sites within existing vineyards.
The proposed Plan requires urban development to pay $10,000 per unit fee if mitigated lands are subdivided into 20-acre parcels. A substantial economic benefit of subdividing mitigation lands goes to the agricultural landowner. EPS consultants suggested the $10,000 per urban unit fee be replaced by a $100,000 per 20-acre parcel fee, but this was not adopted. Alternatively, mitigation land subdivision could be limited to 40-acre parcels, with a smaller fee, to encourage agriculturists and not part-time viticulturalists.

Land in the Vineyard Area is zoned for agricultural use (100 acre minimum). A landowner in this category may obtain 4 additional homesites for a total gross density of 5 units per 100 acres on 20-acre parcels, i.e., the density bonus plan.

[ Economic and Planning Systems 1992: v-1 ] [ See Figure 3.2 ]

The Vineyard Area contains the majority of the cultivable acres appropriate for viticulture and has been zoned A-1. The County estimated that some 3,250 acres could be planted in grapes. Since the vineyard area will also be bordered by the Cultivated Agricultural Overlay District this will permit an increase in density for residential development of two types: rural residential and urban development, if certain mitigation requirements are met. Mitigation must be provided for an increased density, such as estate homes or single family houses. The value of a 20-acre vineyard will be the sum of the value of the agricultural land and the value of a rural residential home site next to the vineyard.

The Plan requires that prior to the final subdivision map approval, a minimum of 90 per cent of each parcel (or 18 out of 20 acres) exclusive of environmentally sensitive areas (per CEQA guidelines) must be planted in grapes or other cultivated agriculture such as olives or trellised apples with a provision to be permanently protected by the dedication of an agricultural easement.
The County has estimated that between 60 and 150 20-acre vineyards could be created and absorbed in the "Vineyard Area" during a 20 year time period in the South Livermore Valley. Half these new 20 acre parcels, created with the density bonuses available to all parcels in the Vineyard Area, would be on land with existing vineyards. Therefore it was estimated that between 540 to 1350 new protected vineyard acres could be created. [Economic and Planning Systems 1992: II-6] [ Table 3.1 ]

It is difficult to characterize 20-acre vineyard parcels since "there is little or no precedent for this type of real estate production in the Livermore valley due to historical land use policies which maintained large parcel sizes". In order to evaluate the demand for and assess the market value of 20-acre "vineyard estates", it was necessary to survey other comparable sales of small vineyards in the Greater Bay Area which matched this prototype in the Livermore valley. [Economic and Planning Systems, Inc. 1992:III-1]

Research shows that there are only two primary uses for these types of parcels: (1) 20-acre vineyards with a residence; and (2) 20-acre vineyards with a winery (with or without a residential unit). To reiterate, the "Plan" provides for the creation of 20-acre parcels in order to provide incentives to plant and protect vineyards, but it raises two key questions: (1) How viable are 20-acre vineyard parcels (estates) and (2) Will such small vineyards be able to operate economically or are the "economics of scale" which render parcels less than 100 acres inefficient. [See Moulton, ed. 1981] \{16\}
It is anticipated that 20-acre parcels in the Ruby Hill development would be desirable to the buyer interested in rural living using their home as a vacation getaway. According to a developer of the Ruby Hill project, potential buyers of these 20-acre vineyard parcels include owners who want to establish "boutique wineries". The experience of Napa County with regard to 20-acre parcels is instructive. When "agriculture preserve" ("wine district") zoning was first created 15 years ago, the minimum parcel was 20 acres. It was the consensus among Napa growers and county planners it is possible to make a living on a 40-acre vineyard, but on a 20-acre vineyard it could make only a supplemental income. The County believes parcels smaller than 40 acres result in the proliferation of boutique wineries attracted to the prestige of Napa. Moreover, new "vinters" may not take their roles seriously. [Economic and Planning Systems 1992: III-3]

In Sonoma County, when agricultural zones were established, a 20-acre minimum was set. Most grape growers concurred that the landowner on such parcels would be able to cover debt service as well as vineyard cultivation and operating costs. Napa and Sonoma county land use policies suggest 20-acre parcels provide only supplementary income from grape growing.

Napa's concern with proliferation of boutique wineries may not be as relevant to the goals of the SLVAP Plan, intended to increase the mix and density of buyers and investors in the Valley. The economic study surveyed small vineyards in Napa and Sonoma and suggested that 20-acre vineyard "estates" are unique in real estate. Market support for the concept is strengthened by the advantage of bringing a diversity of investors to the Livermore valley. The Plan also sees the more successful wineries gaining wider recognition of the Livermore wine region.
SLVAP land use policies are more ambitious in their intent to "redevelop" the planting of vineyards once again to historic levels. There have been fears of making a "Silverado Country Club South" ("Silverado" is a premier country club estate in Napa Valley). This may ignite new conflicts in the arena of developers versus conservationists owing to the cumulative impact of large-scale development with massive gates at the entrance to such prestigious communities as Ruby Hill.

The study shows that there is an inherent conflict in the propagation of 20-acre parcels. The economic advantage is characterized by a broader "market segment" reducing barriers for new buyers of vineyard land. The broader the market segment, the greater the stability of the market. Conflicts between viticultural and residential uses may create conditions unconducive to a viable viticultural district. "Ultimately, if a 20-acre vineyard parcel is viewed primarily as a residential than as an agricultural product, this may be in conflict with long-term agricultural preservation in the Valley." [Economic and Planning Systems 1992: III-6] {17}

Based on 3,250 acres of cultivable vineyard land, the capacity exists for a maximum of 160 20-acre vineyard parcels in the Vineyard Area, not including Ruby Hill and another development, Crane Ridge. If all cultivable land were planted with new vineyards and subdivided under the density bonus option, this could create about 2,880 acres of vineyards, based on a two-acre home site and 18 acres of vineyards on each parcel. In summary of the above, total possible 20-acre parcels is: {18}

<table>
<thead>
<tr>
<th>Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>160 potential new vineyard parcels</td>
<td>2,880</td>
</tr>
<tr>
<td>10 parcels approved at Crane Ridge</td>
<td>175</td>
</tr>
<tr>
<td>32 parcels proposed by Ruby Hill</td>
<td>83</td>
</tr>
<tr>
<td>Total: 202 new 20-acre vineyard parcels</td>
<td>3,138</td>
</tr>
</tbody>
</table>
A higher absorption rate of parcels would result in a larger acreage of vineyards being planted as a result of the Plan's economic incentives. This would translate into fewer "urban units" required to provide the necessary mitigation acreage to reach the Plan's goals. Conversely, a slower absorption rate for 20 acre parcels would translate into more urban units to make up the shortfall through mitigation acreage. The Study concluded that an absorption rate of 160 Twenty acre parcels over a 20 year period is attainable (8 parcels per year). This dictates how much money is available for the proposed land trust, given the interests to whom the parcels could be marketed. [Economic and Planning Systems, 1992:V-9]

The demand for residential development in the Vineyard Area over a 20-year period is estimated to be in the range of 1,100 to 1,650 units. If the maximum number of new 20-acre vineyard parcels are created and absorbed over a 20-year period, and the lower figure of 1,100 units is realized, this could result in approvals for 1,000 urban residential units in the Vineyard Area. If 1,000 units are approved, at an average gross density of two units per acre, these will require 500 acres of mitigation land for the acre for acre requirement under the Plan. "Therefore, the 1,100 units could create and protect up to 1,500 acres of new vineyards. ... Some of the 1,500 acres of new vineyard acres will be subdivided into 20-acre parcels which will then compete for market share with any other 20-acre parcels created in the Vineyard Area." [Economic and Planning Systems 1992:V-10]
## TABLE 3.1 Agricultural Land Values in the SLVAP (Comparative Values with Napa/Sonoma)

<table>
<thead>
<tr>
<th>Area / Type</th>
<th>Sale Value Per Acre</th>
<th>Residual Value Per Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td><strong>LIVERMORE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grazing/Ranch land</td>
<td>$2000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Cultivable Vineyard Land*</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Vineyard Land with Established Vines **</td>
<td>$15,000</td>
<td>$17,000</td>
</tr>
<tr>
<td>Vineyard Land with Homesite and Vines</td>
<td>$22,000</td>
<td>$35,000</td>
</tr>
<tr>
<td><strong>NAPA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultivable Vineyard Land***</td>
<td>$25,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Vineyard Land with Homesite and Established Vines</td>
<td>$28,000</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>SONOMA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultivable Vineyard Land***</td>
<td>$12,000</td>
<td>$14,000</td>
</tr>
<tr>
<td>Vineyard Land with Homesite and Established Vines</td>
<td>$22,000</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

* Cultivable land could be planted with grapes; does not include value of a homesite.

** Calculated to exclude the value of a homesite; this is an agricultural value only.

*** Cultivable vineyard land could be planted with grapes, but is not yet.

[Source: Economic and Planning Systems, Inc. (8/5/92)]
<table>
<thead>
<tr>
<th>Beginning Status</th>
<th>Conversion Options</th>
<th>Land Value Elements to Landowner</th>
<th>Values per acre/unit</th>
<th>Cost Elements to Landowner</th>
<th>Costs per acre/unit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VINEYARD AREA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Vineyards</td>
<td>No change</td>
<td>- Crop/cash flow net operating income (NOI)</td>
<td>$1,000/acre per year</td>
<td>Agricultural operating costs</td>
<td>$1,500/acre per year</td>
</tr>
<tr>
<td>100 acre zoning</td>
<td></td>
<td>- Speculative value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sell Agricultural easement to trust</td>
<td>- Crop value (NOI)</td>
<td>$900-1,200/ton acre</td>
<td>Agricultural operating costs</td>
<td>$1,500/acre per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Easement value</td>
<td>$8,000-$8,500/acre</td>
<td>- Agricultural operating costs</td>
<td>(may be higher)</td>
<td>$1,500/acre per year</td>
</tr>
<tr>
<td>Subdivide to 20 acre parcels and dedicate easements over 90% of each parcel</td>
<td>- Home &amp; parcel value including vineyard agricultural value</td>
<td>$550,000-$580,000/20 acre parcel</td>
<td>- Development cost of home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Non-Vineyards</td>
<td>No change</td>
<td>- Agricultural zoned land value</td>
<td>$2,000-$10,000/acre</td>
<td>- None</td>
<td></td>
</tr>
<tr>
<td>100 acre zoning</td>
<td></td>
<td>- Speculative value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establish vineyards - no mitigation revenues, maintain long term developer rights</td>
<td>- Crop value (NOI)</td>
<td>$15,000-$17,000/acre</td>
<td>- Agricultural operating costs</td>
<td>$1,500/acre per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Speculative value</td>
<td></td>
<td>- Agricultural establishment costs</td>
<td>$10,500/acre over 3 years</td>
<td></td>
</tr>
<tr>
<td>Establish vineyards - with mitigation revenues, 100 acre parcels; dedicate or sell easement over parcel</td>
<td>- Crop value (NOI)</td>
<td>$1,000/acre per year</td>
<td>- Agricultural operating costs</td>
<td>$1,500/acre per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Agricultural easement</td>
<td>$6,000-$8,500/acre</td>
<td>- Development cost of home</td>
<td>$1,500/acre per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Capital value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establish vineyards with mitigation measures, subdivide to 20 acre parcels and dedicate easement over 90% of each parcel</td>
<td>Home and parcel value, incl. vineyard agricultural value</td>
<td>$275,000/2 acre lot</td>
<td>- Agricultural operating costs</td>
<td>$1,500/acre per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$16,000/vineyard acre</td>
<td>- Development cost of home</td>
<td>$1,500/acre per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$550,000-$580,000/20 acre parcel</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Non-Vineyards</td>
<td>All above options, plus develop at urban densities, acre for acre, 1 acre for every unit - Pay $10,000 per unit if mitigation land subdivided into 20 acre parcels</td>
<td>Residential/commercial</td>
<td>$250,000 - $700,000 sales price depending on type and density</td>
<td>- Agricultural easement and vineyard establishment costs on off-site mitigation land in Vineyard Area</td>
<td>$7,000/acre plus $10,500/acre over 3 years</td>
</tr>
<tr>
<td>100 acre zoning and Adjacent to Livermore</td>
<td></td>
<td></td>
<td>- Mitigation fees per unit</td>
<td>$26,500/unit to $36,500/unit</td>
<td></td>
</tr>
<tr>
<td><strong>TRANSITIONAL AREAS</strong></td>
<td></td>
<td>Residential/commercial</td>
<td>$250,000 - $700,000 sales price depending on type and density</td>
<td>- Mitigation fees per acre</td>
<td>$10,000/acre</td>
</tr>
<tr>
<td>Existing Non-Vineyards</td>
<td>Develop at urban densities - Pay $10,000 for every net developed acre</td>
<td>Residential/commercial</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Economic and Planning Systems, Inc.
3.5 Sphere of Influence and LAFCO: Planning Urban Limits

The cities of Livermore and Pleasanton have limited area for residential development within current incorporation limits. Unincorporated portions of Alameda County north and south of Livermore include much land potentially developable. Several thousand new housing units are projected for north and south Livermore areas based on Tri-Valley population projections.

The "Sphere of Influence" is a plan for the probable or ultimate physical boundaries and service area of a local jurisdiction, namely city or a "special district". Such a plan involves adjusting city borders, so it requires a approval of regulatory authority within each County; which also applies to annexation of unincorporated territory. The Local Agency Formation Committee (LAFCO) determines the SOI of each local agency within the County and to reviews and updates adopted "spheres" per stated policies of the State of California delegated to each County. LAFCOs are charged with discouraging urban sprawl and encouraging orderly formation and development of local agencies via "planned, well-ordered, efficient urban development patterns" with the consideration of "preserving open space lands". [Governor's Office 1993:1]

The purposes of SOI are to ensure orderly development in areas adjacent to cities and to plan for logical units of government to promote cooperative planning between local agencies and assist in inter-jurisdictional programs. In determining SOI, LAFCO must consider and make findings on present and possible service capabilities of the agency, range of services, projected population growth, type of development in or planned for the area (Ruby Hill) and other service needs; socio-economic interdependence and interaction between agency and area and the effect on agricultural preserves (eg., viticulture). {19}

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Sphere of Influence areas are adopted and amended after public hearings. An amendment or revision may be initiated by local agency request. LAFCO has the power and duty to renew and approve proposals for incorporation of cities and annexation to and from cities. LAFCO approvals may require an EIR under terms of CEQA. [Case of Bozung versus LAFCO 1975]

Under the CEQA of 1970, LAFCO actions including SOI amendments are considered "projects". Such designations require a "Negative Declaration" or documentation of environmental impacts from the project. Among other factors considered, LAFCO must evaluate an impact on "open space" and "prime agricultural land," and its conformity to general and specific plans and spheres of influence. As a rule, the SOI will coincide with "city limits" but is not always consistent. In the case of Livermore, the SOI does conform to the city limits. Pleasanton illustrates an enlarged SOI with respect to city boundaries; this which appears indicative of "pro-growth" policies. [Simon 1988:2] [Map 3.8] {20}

Generally, territory may not be incorporated or annexed if it results in creating "islands" of unincorporated territory surrounded by a city. Cities may not annex noncontiguous lands. In an example of annexation by the City of Pleasanton, the County approved it as a Resolution whereas, the territory in question: (1) lies within the SOI of Pleasanton; (2) is inhabited; (3) is a logical extension of the city limits and the city should control the development of (the) property; (4) will allow and provide a more efficient delivery of services such as police, fire, street maintenance, water distribution, sewage collection and treatment, parks and recreation to the area; and (5) in accordance with CEQA, the EIR adopted by the City of Pleasanton has been considered by the Commission; and is approved subject to requisite terms and conditions. ["North Sycamore Specific Plan" - 1992]
To understand the proposed annexation with respect to the city limits and LAFCO approval, one must realize that property owners in the area first requested annexation to the City. The City proposed to annex the area known as North Sycamore as "a logical extension of Pleasanton's city limits" not in a piecemeal fashion. Therefore, the City drafted a "Specific Plan" to provide a guide and to facilitate the development of low residential with a mix of agricultural, medium density residential and office/commercial land uses.

Land to the east of the proposed annexation is mostly rural and currently under Williamson Act contract. Addressed in the Specific Plan EIR, none of the land was classified as prime agriculture. The Specific Plan was later certified by the City Council. Accordingly, the City applied for "prezoning" which would include multiple-zoning designations, ranging from "Planned Unit Development-Agricultural" (PUD-A) to PUD-Office. All potential impacts of the proposed prezoning were addressed by the EIR. However, the application was deemed incomplete by the County because a "property tax exchange formula" had to be approved between the City and County. Once negotiated, the property annexation process was complete. On behalf of the majority of property owners, the newly acquired land was subject to a Plan for Municipal Services, with the rationale that annexation will allow for a more efficient delivery system of municipal services.

The above illustrates how a city's SOI is expanded through the process of applying for annexation of contiguous lands as an orderly extension of urban services, gradually extending influence over rural lands (if not prime agricultural). Ultimately a city's SOI will meet, in this case the City of Livermore's SOI, since their paths of urbanization have been close to merging in the South Livermore valley. [Map 3.8]
LIVERMORE, PLEASANTON AND DUBLIN
CITY BOUNDARIES AND SPHERES OF INFLUENCE
1988

MAP 3.8 Spheres of Influence: Livermore and Pleasanton
(Reproduced with permission of Livermore City Planning Dept.)

Note: Original sketch color enhanced and graphic added for presentation
In summary, the critical point of contention over land use will involve County lands which are primarily zoned rural, A-I, and over which it has jurisdictional control until the LAFCO approves a city's amended SOI petition. Annexation is the extension of a city's boundaries by attachment of unincorporated territory, which is reviewed by LAFCO and either approves or disapproves (with or without amendment, either wholly, partially or conditionally). LAFCO may not impose or condition the regulation of land use, property development or subdivision requirements. Most important in reviewing proposals that could lead to conversion of open space to other uses, LAFCO must consider policies favoring prime agricultural land, according to the adopted plans and policies of the annexing city, in this case Livermore.

Livermore's "Alden Lane" project was part of a proposed settlement of litigation over the Ruby Hill Project. In fact, Livermore's policy objectives became the reason for settlement of the Ruby Hill lawsuit against the County. These "policy objectives address both the fundamental concern raised by the Ruby Hill project, and more generally they address the issue of urban encroachment into the larger South Livermore Valley area." [City of Livermore 1992A: 6]

The central policy objective has been defined by a goal shared by City and County: to protect and expand agriculture and viticultural resources in the south Livermore valley. While forming a joint effort between City(s) and County, it is unique to the City of Livermore to advocate:

"a new public policy direction of stewarding agricultural resources through expansion of its sphere of influence annexation of agricultural lands and creation of land use designations, density bonuses and conservation easements that implement ... (the) goals." [City of Livermore 1992A:6]
In implementing the objectives above, Livermore's SOI expansion and annexation will achieve an important policy objective: to establish a permanent boundary between the City of Livermore and the City of Pleasanton and between the urbanized areas of southwest Livermore and the County's viticultural areas. Future urban encroachment is restricted by the permanent agricultural easements on parcels within the expanded SOI area. A "greenbelt" is created, one of the central issues raised by citizen groups to define the boundaries of urban limits in order that vineyard lands can be preserved. It also addresses a proposed toll road impact on South Livermore Valley. [Map 3.9] {21}

3.6 Livermore's General Plan Amendment:
On August 10, 1992, after Planning Commission review, the City Council approved a series of General Plan, Zoning and Annexation proposals as part of the settlement of the Ruby Hill lawsuit; subsequently approved by the County of Alameda LAFCO on November 19, 1992. This was the first phase in Livermore's coordination of land use programs between the County and the City for the South Livermore Valley. Livermore then engaged in public hearings on the City-initiated General Plan Text Amendment to incorporate pertinent policies from the SLVAP (adopted 2/23/93). The second phase was adopted 10/13/93, whereby specific policy criteria are written into Livermore's General Plan, with a revision affecting Livermore's own considerations. A "work program" outlining the scope of work and time-frame for the City's land use implementation programs for the SLVAP was scheduled following public hearings. Livermore will then initiate the third phase of planning for the South Livermore Valley. City Staff anticipated about 12 months to complete the program to specify the amount, timing, and location of urban development in the Vineyard Area area. [City of Livermore Staff Summary Report 1993A:2] [See Chart 3.6 and 3.7] {22}
Livermore argued the 1200 to 1600 residential dwellings stipulated in the SLVAP should be eliminated because it is not certain the level or intensity of development necessary to achieve the planting/acreage objective. It adopted a 1600 dwelling units cap. Current assessment requires a range of 1200-1600 units to achieve the minimum objective of 2,500 acres of vineyards. The goal is 5000 acres. The benefits of development in a 1200-1500 unit range to Livermore are few but important. Livermore's senior planner summarized: (a) The mitigation plantings required for each urbanized acre (and each unit developed) could lead to 2500 new acres of vineyards being planted (though it appears insignificant, it would double the current vineyards); (b) the process of urbanizing some vineyard land on the southern boundary and placing permanent easements over existing and new vineyards will help construct the permanent "urban / rural" boundary for the southern edge of the city; and (c) An additional 250-500 units will occur in the Alden Lane Transition Area; this will raise important revenue for the Land Trust to establish permanent easements to form the ultimate urban/rural boundary; eliminating the prospect of leapfrogging. Livermore's southern border will be created as the Plan develops. This will meet the County's objectives as well as Livermore's demands to facilitate development within its own limits. [City of Livermore, Staff Report 1993A] 

Of the 1200 acres in the "Alden Lane Transition Area", the City of Livermore would enter into Conservation Easements on 700 acres in 5 separate parcels. These easements will preserve and promote viticulture, agriculture and open space values of the parcels while permitting limited development, according to a ratio of size to scale. For example, wineries are restricted in size to 30,000 sq. ft. and a maximum 40 ft height limit. [See Chart 3.5]
The intent of City and County plans is to guide urban development toward less productive lands, preserving in agricultural use remaining soils which are capable of supporting agriculture and viticulture. Such intents are reflected in the City of Livermore's "Settlement Agreement and Deed of Agricultural Conservation Easement". This is a contract between the City, County and developer for properties annexed by the City with "Pre-annexation Agreements" within the City's adopted Sphere of Influence, giving the City land use control over the annexed portion. The intent and principles of implementation are the same. Pre-annexation agreements are intended to result in a "rational comprehensive planning and foster predictability, certainty, economy, and efficiency in future development planning." [City of Livermore 1992C:1 and 1992D:4] {25}

Livermore's Work Agenda, in terms of the local planning process, will include again a citizen's advisory committee, just as the County did several years ago to advise the SLVS consultant; and is summarized in this order:

A. The City of Livermore implements policy which reinforces the County planners to annex urban land while avoiding issues of urban sprawl. B. In order to implement city policy, the South Livermore (Citizens) Advisory Committee was formed to conduct a "rating exercise" of several candidate subareas of the planning area in order to determine where development should be allocated. C. The planning staff will overview the CAC's preliminary draft proposals regarding areas most suitable for urban land use designation. The staff will then ask the Committee to complete its review and comments and ask the Committee to review "revised" staff proposals as applicable. D. The Planning Commission is scheduled to review preliminary proposals (Phase 2) in mid-May and the Livermore City Council is scheduled to review them in mid June. (So.Livermore Valley Advisory Committee 1994:3) [Chart 3.5]
Livermore-initiated Project:

STEP 1: Apply for expanded "Sphere of Influence" ===> LAFCO Approval/ Public Hearing

DOCUMENT: "Alden Lane/So. Vineyard Avenue Annexation no. 1"

STEP 2: Pre-zoning Application/Preannexation Agreement => City Council

DOCUMENT: "Application for Annexation and Pre-zoning"

STEP 3: Sign a Deed contract for a Conservation Easement ==> City / County / Developer

DOCUMENT: "Settlement Agreement and Deed of Agricultural Conservation Easement"

[Samples of Document Text]

1. SETTLEMENT Agreement ===> 2. PREANNEXATION Agreement ===> 3. DEED of Agricultural Conservation Easement

1. This Settlement Agreement is entered into this day ______ by and between the city of Livermore, a California municipal corporation ("city") the County of Alameda ("County") and Ruby Hill Development Joint Venture ("Developer"), a California general partnership between Signature Properties, a California limited partnership, and Nicklaus/Sierra Development Corp. of Northern California, a California Corp.

2. This Preannexation Agreement (the "Agreement") is entered into this day ______ by and between the City of Pleasanton (Livermore) ("city") a California municipal corporation and Ruby Hill Development Joint Venture ("Developer"), a California general partnership between Signature Properties I, a California Limited Partnership and Nicklaus Sierra Development Corp. of a Northern California, a California Corp.;

3. This Deed of Agricultural Conservation Easement is entered into this day ______ by Ruby Hill Development Joint Venture ("Developer") a California limited partnership and Nicklaus/Sierra Development Corp., of Northern California, a California Corp. ("Grantor") in favor of the City of Livermore, a California municipal corporation, and the County of Alameda, a political subdivision of the state of California ... .

Chart 3.5 Settlement Agreement, Pre-annexation and Deed

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The Citizen Advisory Committee reviewed candidate areas according to primary and secondary criteria; if the area is:

(1) "contiguous, a logical edge, feasible for infrastructure and services, have reduced visual impacts (compared to other areas), meet LAFCO requirements, and potentially benefit the City's circulation system ... (But) it would remove lands potentially suitable for agriculture/viticulture." Under secondary criteria, (2) development of [candidate area] would "minimize impacts on surrounding residents and utilize Wente Road as a boundary. As a condition to future development, the area's frontage on Wente Road could be upgraded to be consistent with the attractive entryway to the wine region created by Wente Road's rural streetscape." [So. Livermore Valley Advisory Committee 1994:4] [Map 3.9; Chart 3.6]
Map 3.9  Permanent Urban Boundary - South Livermore
(showing study areas studied by CAC)

(Reproduced courtesy of Livermore City Planning Dept., color enhanced)
Chart 3.6 - Livermore’s General Plan Three-Phase Work Program Agenda


**Basic Tasks:** Develop locational, density and other program criterion, governing the selection of areas potentially suitable for urban development along City’s (Livermore) southern edge;

**Phase II** (Feb. 1994 - April 1994)

**Basic Tasks:** Development of densities and phasing of all proposed development up to a specific cap. Inventorying and analyzing land characteristics and applying location criterion to select land areas suitable for urban development; develop guidelines and standards to protect environmental sensitive lands, and to address site, design and visual concerns that will ensure development compatible with the rural character of the area and surrounding land uses.

**Phase III** (May 1994 - August 1994)

**Basic Tasks:** Completion of planning and environmental studies and review of the General Plan Amendment and the related implementation programs through formal hearings. Formulate review process/procedures that are coordinated with City’s growth management program and objectives for Plan Area.

**Public Participation:** (Options)
- Planning Commission*
- Planning Commission and City Council
- Council /Commission Steering Committee
- Technical Advisory Committee

**Environmental Review Process:** One environmental document would be prepared for the General Plan Amendment

* Staff recommendation as the preferred alternative for providing staff guidance and public opportunity to participate in program development.
Chart 3.6 City of Livermore Planning Commission
Agenda/Approval

**DOCUMENTATION**

City Planning Department → Public Hearings before the Planning Commission (Agenda)

- Initial Study
- Draft EIR
- "Negative Declaration" → General Plan Amendment
  - Text Modifications
- "Mitigated Negative Declaration"

== APPEALS → City Council <<=
(Public)

- "Resolution" .......... Planning Commission

General Plan Amendment

| Zoning Ordinance
| Text Amendment
| Implementation/Procedures

Enforcement ++++ Mitigation Monitoring ++++ Citizen Review

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CHART 3.8 Policies-Development Determinants Relationship
(Adapted from Napa Co. General Plan excerpts 1992, modified graphic)
3.7 Houses vs. Grapes: Where to Build and Where to Plant?

Alameda County approved the SLVAP in February 1993, but this did not end the debate about where future development should take place in the South Livermore Valley. It was the City of Livermore Planning Commission which held hearings to incorporate the Plan's policies into its own General Plan. This is the next step in the approval process once the County Board of Supervisors adopted the SLVAP. [Chart 3.5] {26}

In the first Livermore Planning Commission hearing, two persons gave testimony, virtually contradicting each other, over the role of prime viticultural soils in producing quality wines. The fundamental issue is not soil types but future development in the South Livermore area; what a local reporter calls a "positioning battle." {27}

A spokesperson for Wente Bros. Winery and Vineyard Trails development concept contended that quality grapes have been grown on all soil types in Livermore Valley. He believes housing should be centered around the city, not for the sake of locating houses on prime soils:

"We don't want to see the vineyards landlocked by clusters of housing throughout South Livermore. That makes it very difficult to farm. Everyone wants to have a scenic wine country corridor. The vineyards should be located to the outside (of the 15,000 acre Fertile Crescent).

The same person said soil type is the fourth most important variable in growing quality grapes, after climate, vineyard management and water quality. "All soils in the South Livermore Valley are capable of growing good grapes. We have the historical precedent, and it's being done today." {28}
Soil factor may have been more important ten years ago, but "high tech vineyard management techniques" have enabled growers to get the best results from diverse soils. He mentioned Ruby Hill among others, with a history of high quality grape growing on widely different soils. Ruby Hills was known for many excellent black and white grapes. \{29\}

The owner/viticulturist of Retzlaff Vineyards credits French attitudes and philosophy in the importance of soil types. Soil types are not outdated; better soils make better grapes. The French use the concept "terroir" as the set of conditions that gives a vineyard its uniqueness: soil types, geological formations, topography, exposure, grape and the micro-climate surrounding the vines. \{30\}

"There is certainly evidence that soils make a difference. I suppose it depends on what kind of wines you want to make. It's true that people can grow grapes on almost anything if they want to make any old wine. I think the Livermore plan should concentrate on quality wines in order to be successful. What would be the object of preserving the Livermore Valley ...wine region if you didn't believe you could grow quality grapes."

The Concannon Vineyards winemaker supports the view soils affect fruit quality. "Different soils have different nutrients, which affect the vigor of the vine, which ultimately affect the flavors in the grapes." \{31\}

A trained grape grower supports future planting of grapes on the best soils. This is supported by the Land Use Chairperson for Friends of the Vineyards: \{32\}

"It's common knowledge that better soils make better grapes. ... Livermore should push for quality, not just quantity in its vineyards."
The Vice-President of Agricultural Operations for Wente Bros. holds that climate, vineyards management and water quality are more important to good grape production than soil owing to technological solutions. Nevertheless, the Planning Commission must address the overall vision and goals of the Plan. One Commissioner stated for the record:

"Stimulation of viticulture is the goal here, not the building of houses. I think that to say soil type is irrelevant is a little extreme."

This is also the goal for land use planners. Their job is to plan for the community in terms of housing, jobs, recreation, water supply and other needs for each designated planning area. Without a plan, the forces of urban sprawl act to determine the make-up of an area. The City of Livermore responded to urban sprawl by adopting a policy to construct a permanent urban/rural boundary: "to direct development and development speculation away from productive and potentially productive agricultural land, particularly the land classified as having the better quality soil for wine grapes." [City of Livermore 1992A:2]

Staff view the need for more flexibility to permit urban development in the Vineyard Area on better quality soils, if essential to the Plan's objectives. This is the tradeoff. [City of Livermore Staff Summary Report:1993A:1]

To encourage a pattern of compact development and the construction of a logical and effective urban/rural boundary, may ... require the flexibility to allow some development to occur on quality soils. Staff research indicates... proper soil preparation, irrigation, etc. will allow for viable viticulture on most of the soils in the SLVAP. The viability of planting viticulture on a variety of soils reduces the potential impact of placing some development on quality soils.
One important policy objective is to restrict development to the area adjacent to the City's southern border. Therefore, in its General Plan Amendment, staff inserted "Generally" into the goal stating "(to) direct development ... for wine grapes." Livermore's General Plan Amendment was accompanied by an Initial Study and Environmental Document, stating a "Mitigated Negative Declaration" that no "significant adverse environmental impacts will result from the project" (SLVAP). This is the same action County followed in its South Livermore Valley Study. Each jurisdiction conducts its EIR as part of the approval process.

A Mitigated Negative Declaration also ensures "a minimization of urban impacts in the Vineyard Area, incorporating mitigation policies contained in the amendments and requiring additional environmental mitigations as appropriate to protect natural resources in the South Livermore Valley."

[City of Livermore, Summary Staff Report 1993A: 2]

Livermore determined there will be no significant environmental impacts if the Plan is effected, however a total number of 26 "nonsignificant environmental impacts" were identified in the Initial Study. The following are listed in priority according to their environmental impact on viticulture: 

<table>
<thead>
<tr>
<th>Direct effects</th>
<th>Indirect effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Land use modifications</td>
<td>(1) Agricultural crops</td>
</tr>
<tr>
<td>(2) Topography modifications</td>
<td>(2) Plant diversity</td>
</tr>
<tr>
<td>(3) Soil compaction</td>
<td>(3) Animal diversity</td>
</tr>
<tr>
<td>(4) Water absorption</td>
<td>(4) Wildlife habitat</td>
</tr>
<tr>
<td>(5) Flooding hazards</td>
<td>(5) Aesthetics</td>
</tr>
<tr>
<td>(6) Air emissions</td>
<td>(6) Odors</td>
</tr>
<tr>
<td>(7) Utilities</td>
<td></td>
</tr>
</tbody>
</table>

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Conversion of undeveloped land to urban uses will involve between 400 and 800 acres of land within the 15,000 acre Plan Area. However, policies proposed for adoption in the City General Plan are expected to double the amount of viticultural plantings in the Plan Area. The following mitigation measures will reduce impacts of potential loss of agricultural land to a level of insignificance:

**Mitigation (1):** To the maximum extent feasible, cluster development adjacent to City boundaries to minimize loss of better soils for wine grapes;

**Mitigation (2):** To mitigate the loss of cultivable soils, mitigation policies require a minimum of one acre to be planted in the Vineyard Area in new vineyards or other appropriate agriculture, and permanently protected through dedication of agricultural easements for each acre developed; and

**Mitigation (3):** To enhance cultivated agriculture in the Vineyard Area, mitigation policies require a minimum of one acre within the Vineyard Area, in addition to acreage required above, shall be planted in vineyards (or other) and permanently placed under agricultural easement, for each new dwelling unit permitted in the project.

[City of Livermore, Staff Summary Report 1993:8]

On the basis of the information contained in the Initial Study, the proposed project as mitigated will not have a significant effect on the environment. YES, the proposal will result in a substantial alteration of the present or planned land use; but NO, the project does not have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.

Finally, does the project have impacts which are individually limited, but cumulatively considerable? The answer is NO. Livermore staff can now certify a mitigated EIR based on all known criteria, but anyone may appeal this decision by petitioning the Livermore City Council. {36}
Public testimony will eventually end, though the controversy from other proponents for development continues to raise issues of urban growth versus land preservation. The Director of Greenbelt Alliance has frequently spoken at the Planning Commission hearings against others who have development concepts which will affect any chance for a county-wide open space policy and a permanent greenbelt in the Livermore Valley.

Vineyard Trails is offering a development plan on prime viticultural soils which is directly contrary to the Plan. Greenbelt Alliance believes that their aim is "to push the vineyards further south; they say soils are not a prime criterion for good viticultural lands." They perceive the southern boundary of Livermore as only a de facto Urban Growth Boundary which will eventually move further south.

If the newly drafted East County Plan is adopted, for example, development will fill up the entire Livermore Valley to an elevation where nothing more could be built (an "urban limit line") while vineyards will have to be relocated further south, requiring a major capital reinvestment.

The Friends of the Vineyards are also insistent on maintaining what they perceive to be "the viable vineyard lands of the South Livermore Valley": {37}

We urge Livermore's adoption of the proposed General Plan Amendment to incorporate pertinent policies from the South Livermore Valley Area Plan into Livermore's General Plan. The goal before us should be preservation of the prime vineyard lands of the valley -- locating any housing off these soils and reserving them for grape growing. Premium soils produce premium grapes.
In response, a Wente Bros. spokesperson reminds the City Council that their vineyards are located on every soil type in the Livermore Valley and produce premium wines. It is not a question of soil fertility or type. The entire Livermore Valley is viable as grape lands. Phil Wente observes:  

> All of the elements; climate, management, water and soils are important to grape and wine quality. The real issue is striking an intelligent planning balance. The goal of the (SLVAP) plan is to increase vineyard acreage, not to preserve every last inch of soil. Therefore, the mitigation acreage provided by houses is important and (they) must be positioned to minimize impacts while taking advantage of existing infrastructure.

To review, the original South Livermore Valley Study was to create an agricultural preserve of more than 5000 acres accompanied by zoning and compensation to land owners included in the preserve. The Study reported the Ruby Hill site has about 450 acres of buildable land outside the proposed preserve that could accommodate to 850 residential units. Among measures designed to reduce impacts to "a less than significant level", The Ruby Hill EIR stated that "except as reasonably required for design considerations, all lands suitable for viticulture (based on historical land uses, soil tests, water availability, location and other physical factors) should be planted in grapes."

All criteria for planting grapes are site-specific and the total grapes acreage would be no less than historic grape production on the project site of 450 acres. The project would be designed to protect residences both within and outside the site from the residue nuisances (i.e., dust, pesticides) arising from vineyards. [EIP Associates 1989:19]
Houses to be built in Ruby Hill will not be the typical suburban tract homes. The project calls for a residential community of about 1000 executive homes in the $300,000-500,000 range. This is not the intended "wine country" image the South Livermore Plan wants to project. The Ruby Hill Project calls for conditional uses to implement the long-term goals, which include: winery tasting rooms, bed and breakfast inns, resort hotel, gift shops, conference facilities, golf course, and country club, along with restored vineyards. The developer plans to restore the old winery and allocate space for another. The project also calls for private open space while planning a 26-acre neighborhood park. Ruby Hill will be an exclusive development, in a country club decor. The new land use is the vineyard land owned by Wente Bros. and currently used for grazing.

Agricultural acreage formerly planted in vineyard would be converted to home sites, a golf course, and other recreational facilities. Some vineyard lands will be converted to 20-acre estates per terms of the Ruby Hill project agreement. Estate homes and recreational uses would be incompatible with surrounding uses; dust, pesticides, irrigation and other viticultural practices conflict with the requirements for residential development.

"The mix of proposed land uses -- viticulture, recreation and estate housing -- is unusual for this region." Land use changes will be long-term and irreversible. "The stability and productivity of high-value vineyards is dependent upon the quality of enterprise of management" (while) "the potential value of project lands to viticulture in the Livermore Valley is very high", states the Ruby Hill DEIR.
As such, the loss of vineyard lands would be a significant impact. Maintaining vineyards as a buffer or an open space corridor does not address the issues. Only by devoting the 750 acres of cultivable lands to vineyards would Ruby Hill be compatible with the initial Specific Plan as originally proposed to the County. The only alternative is mitigated development whereby the developer is involved in the restoration of vineyards based on Ruby Hill's historical land use. The contiguity of the Vineyard Area will depend in large part on such continuity. Though most vineyards are fallow, they are just as symbolic of the Livermore wine region as they are potentially cultivable with the proper soil and vineyard management.

With no economic basis for viticulture, there will be no future tourism and other benefits to the Livermore Valley. Commitments which support local vintners strengthen the local wine-producing economy and tourism, but also protect the environmental setting and historical identity of the community. County public policy and General Plan goals of Livermore support the "viticultural appellation" inviting new investment opportunities and much needed tourist business.

All parties to the Plan have an interest in promoting the historical identity of the Fertile Crescent fostering other values such as open space and recreation. These in turn serve to limit urban encroachment on historical vineyards which require contiguity in order to maintain their economic viability. The developer is helping to finance Livermore Valley's wine country image, and implementing County policies through self-mitigating terms. This is the new trend of development in California, whereby developers assume the expense of mitigation as part of the cost of doing business. Their investment will help assure the success of viticulture in the region for the long term.
Meanwhile, local planners address the problem of housing and vineyard allocation from the standpoint of creating a scenic corridor in the wine country. The original Study called on both the cities of Livermore and Pleasanton to plan "gateways" into the Fertile Crescent. Pleasanton's planner Wayne Rasmussen submitted a specific plan to the Friends of the Vineyards, whereby the path from Pleasanton to the South Livermore Valley could become a vineyard village mixing a little grape growing with urban development by planting about 28 acres of vineyards along a reconfigured Vineyard Avenue and allowing 500 housing units in the transition area.

Studies done in St. Helena and Yountville in the Napa Valley support the idea that mixing vineyards and housing closely works. Rasmussen observed: "It's definitely done in the Napa Valley ... I feel confident about our conclusions." {39} [Map 3.10] [Vineyard Avenue Corridor Specific Plan 1991]

Pleasanton proposed three alternative plans, one which would have 65 acres of vineyards and 150 houses; this is preferred by several Friends of the Vineyards. Ultimately the approved plan will include design guidelines for architecture compatible with vineyards. The actual plan was withdrawn, however, when the City Council voted to direct further study by the newly designated General Plan Steering Committee.

Such reflects the newly constituted political representation of Pleasanton, in favor of increased vineyards and open space rather than increased housing allocation within the "Gateway" (scenic corridor). Despite the Ruby Hills annexation which adopts the compatibility of housing and vineyards through mitigation, the prevailing attitude now is one of revising the General Plan to save open space, in the interests of preserving a viticultural environment and scenic amenities.
The City of Pleasanton is considering a "right to farm" ordinance designed to settle disputes between farmers and homeowners. The goal is to preserve land being threatened by residents who object to the noise, odor, dust or other nuisance created by agricultural operations. The ordinance is to prevent farms and ranches being designated a nuisance as long as they operate within accepted agricultural industry standards. The Pleasanton Planning Commission approved the ordinance and it goes to the City Council for adoption, representing another change in local attitudes.

In Livermore, the Citizens Advisory Committee charged with setting criteria to decide where development occurs in the South Livermore Planning Area has exhibited another schism reminiscent of the six year debate: the importance of soils as criteria in planning. Barbara Stear, again President of Friends of the Vineyards, and environmentalist Archer Futch believe that soil should be one of the prime factors in determining where housing should be built, not a secondary concern. Stear has maintained a theme: "I feel strongly that better soils produce better grapes." {40}

"There are a lot of types of soil in South Livermore. Some of the best land for growing grapes is located right next to the city. We can't afford to let these soils disappear. It's possible to put houses and people anywhere. The South Livermore Plan is a vineyard preservation plan, not a housing plan."

Both believe economic feasibility should not be considered in the selection criteria. However, land located next to the city would most likely be proposed for development because of the ease of extending infrastructure and services. This would be within LAFCO guidelines, which emphasize city-centered growth. Economic trade-offs need to be considered, while the Plan intends to be fair to landowners' use of property. {41}
Map 3.10 "Vineyard Avenue Corridor Specific Plan"
(Reproduced courtesy of Pleasanton Planning Dept., color enhanced)
Another CAC member, Valerie Raymond, an environmentalist, believes other factors should be used to determine the location of housing, including "viewsheds" and how intrusive the development is on the wine country. {42}

"It doesn't seem to me that the soils issue is clear-cut. Most of the soils in the area could be good for growing fine wine grapes. I'm not saying soils aren't important. I don't think soil should be the major factor in determining where growth should occur."

Both Stear and Raymond agree there will be development, with a 1600 homesites cap, based on a twenty year projection. Development will not occur everywhere or at once. Livermore does not require 1600 housing units. It may be that the city cannot find places for that many homes. Stear sees the limitations:

"We should not be promising the landowners anything. Everyone wants to be fair to the landowners. Compromises can be made and homes can be built off prime vineyard soils."

While Stear believes the Committee should not study economic feasibility (ie., whether or not a developer can make it) Raymond believes everything is linked and the economics of development can not be ignored by the Citizens Committee. Nevertheless, there is agreement that CAC is a good forum to discuss differences. Howard Sword, representing landowners in the South Livermore Planning Area, agrees to a consensus on a majority of issues. {43}

"It's just a matter of talking. All the soil is good. Some of the good soil is going to be lost. The plan, as written, has already taken that into consideration. ... this plan brings potential value to every property owner. Everyone who wants to become involved will become involved in development."
The CAC report to the Livermore Planning Commission states there may be need to consider trade-offs between some primary criteria in evaluating sites, as it may not be possible to find areas that meet all or even most of the criteria.

Another potential issue concerning golf courses has stimulated discussion between citizens, planners, and developers. Three championship golf courses are planned for the area; these also required EIRs. While golf courses are seen as a boost to the wine country, the Livermore planning staff has sought assurance certain criteria will be followed when approving the courses.

Recreational use should not overshadow viticulture. The County has jurisdictional approval over the golf courses. It has approved the Ruby Hill 18-hole site. In the EIR of the proposed Wente Course, it determined it will result in the loss of "valuable soils and could not be mitigated. The project as proposed would self-mitigate the loss of already existing vineyards by planting new vineyards." {44}

The three golf courses would encompass 600 acres, some 12 percent of the South Livermore land area suitable for vineyards and other agriculture. This raises the issue of whether a finite resource like agricultural lands should continue to be converted to nonagricultural uses. The EIR cautions that further golf courses may become "a liability to the growth of the wine industry": [EIR, The Course at Wente 1993:1]

Each new recreational use could make the achievement of (the) South Livermore Plan goals slightly more difficult while providing less benefit to the economy than the previous project. ...
Stated another way, the Livermore planning staff presents a larger question: { 45 }

"... when do large-scale uses such as these recreational facilities become inconsistent with the central objectives of the SLVAP? If the current trend were to continue, the staff perspective is that these visitor-oriented ancillary uses (large recreational land uses) may make it infeasible to implement the primary objectives of the SLVAP."

The County Parks and Recreational District sees the Wente Course having a negative impact on the local wildlife and park use including soil and water contamination. Staff believe that a proposed lake to serve as a course runoff area should be changed since it would also serve as a retention basin for chemicals and toxins used on the course. Grading the soil will also create dust and silt problems for the nearby stream. Furthermore, wildlife will be endangered by local traffic. Again large-scale recreational use could overwhelm the rural environment, which attracts tourism.

Livermore planners see the proposed golf courses as a "quality draw" attracting more tourists to the wine country. However, this might be counterproductive. Politicians as well as planners do not want to convey the wrong message. There is a difference between proliferation and enhancement, between "a quality draw" and too much of a good thing. Wente believes that wineries have a better chance of success with amenities in place, including golf courses, bed and breakfast establishments, restaurants, etc.

It can be argued golf courses serve the purpose of keeping the land in open space, leaving them open to use for future vineyard locations. They act as a reserve for alternative site plans. Wente can always revert such land back to the cultivation of vineyards, as it is their property.
Meanwhile, there are other attractions for locals and visitors alike. An equestrian center would be the locus for multi-day events and provide opportunities for riders to go wine tasting, eat, sleep, and shop in the Livermore Valley.

Houses or grapes, high density development or golf courses, land use issues in Alameda County have intensified in recent years. Government initiatives for regional planning are an issue. A bill pending in the state legislature intends to merge both the Association of Bay Area Governments and the Metropolitan Transportation Commission to create a board of city and county officials; an attempt at subregional planning and decision-making. Such a body would be based on "consensus, not raw power", in the words of Ben Tarver, Mayor of Pleasanton, a slow-growth activist and supporter of greenbelt efforts. He objects to the formation of a super planning agency to solve land use issues. Tarver, often at odds with the County, believes the county is an unnecessary branch of government and should be "flushed out of the system" because communities are not paid by growth but instead pay for it. City-County conflicts in overlapping planning serve to drain funds. The County could be eliminated as a cost-saving alternative. He sees the "growth issue" in the pending fiscal crisis in government forcing major changes in planning: { 46 }

"This balance we seek between economic development and growth is headed for an eruption. We've long believed that growth somehow pays us something. It doesn't. We're the ones who pay. Growth never covers its costs. ... Let's face it, there are people in Pleasanton who'd be happy to see not one more new housing unit built. ... I sometimes feel that way myself. But as mayor, I can't let personal feelings like that dictate city policy."
Who will have ultimate authority in determining future land use decisions and control in the South Livermore Valley? Will the county or other regional authority directed by the state of California have influence over local control?

Will developers force the issue of houses versus grapes in the interests of the area's economic future? There are no easy answers to these complicated questions. In fact, state intervention in local control in the Dougherty Valley, in Contra Costa County, is pending. A bill would force the East Bay Municipal Utility District to annex and serve the valley. An editorial said it was "one of the most dangerous pieces of legislation with local application to be proposed in recent years." Without a Plan for the South Livermore Valley, such legislation is one possible alternative forcing development in the vineyard areas. {47}

In summary, the SLVAP Plan, adopted by the County Board of Supervisors (2/23/93) specifically prohibits the subdivision of existing vineyards within the Vineyard Area if such subdivision results in a net loss of vineyards within the subdivided parcel and limit such subdivision to a maximum of 100 acres per year to maintain a market for new vineyards on presently uncultivated lands. The density bonus plan is allowed if new home sites on parcels with existing vineyards are located so that no vineyards are destroyed or divided; and only if an equivalent vineyard acreage to that lost be planted and placed under easement within the subdivided parcel. (while meeting minimum parcel size requirements of the Zone 7 Irrigation District and Williamson Act contracts).

The City of Livermore, citizen advisors and planners alike adopted the Plan as part of its General Plan Amendment (10/13/93) and will act upon each stage of the process for the next year. The CAC will file reports. [Chart 3.7] {48}
CITIZEN ADVISORY COMMITTEE ➔ Livermore Planning Commission

"PHASE ONE" [City Council]

Livermore Planning Dept. ➔ REPORT ➔ PUBLIC REVIEW (STAFF Recommendations)

{PRIMARY CRITERIA} {SECONDARY CRITERIA}

Where the property is located: [STUDY AREAS 1, 2, 3 ..., 7]

1. Location must be contiguous to the city's corporate limits;
2. It must form a logical urban edge to the city's future corporate limits;
3. It must be easy to extend services and infrastructure to the site;
4. It should minimize impacts on viewsheds;
5. It should minimize impacts on existing or potential agricultural lands/operations and avoid environmentally sensitive lands;
6. It should minimize development of lands with existing vineyards.

1. "Project" must minimize impacts to rural landowner and existing residential development;
2. It should encourage "in-fill" and compact development;
3. It should use natural or man-made features, when present, to define project boundaries;
4. It should protect or incorporate features to enhance wine country entry ways.

CHART 3.9 Citizen Advisory Committee Report Process

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The South Livermore Valley Advisory Committee met several times to discuss the candidate sub-areas of the Plan Area for determining locational criteria and estimates of what land area was available for urbanization. In their last meeting March 16, 1994 the Committee selected a total of seven candidate sub-areas. Planning staff proposed three general areas. The CAC evaluated all seven areas. [ Map 3.11 ]

Areas 1, 2 and 3 all meet certain primary and secondary criteria. Area 1 is proposed because it would "be contiguous to urban development, result in a logical urban edge, is feasible for infrastructure/services, would not present significant visual issues, meets LAFCO criteria, and could be served via existing street systems. It would not significantly impact on agriculture, viticulture, or rural character (in comparison with other areas)." Secondarily, "this area would minimize impacts to rural residents and would generally form a compact (as opposed to leap-frog) development pattern in relation to city boundaries." [ C.A.C. Report 1994:5 ]

Area 2 also meets primary criteria but would have "visual, agricultural/viticulture and to a lesser degree rural character impacts." Secondarily, the area would "minimize impacts on rural residences assuming a viticultural buffer remains in place between the area and (Buena Vista) Avenue." A transfer of densities on-site allows design flexibility for preservation of viticultural buffers.

Area 3 meets all primary and secondary criteria, though it would remove lands suitable for viticulture. Its advantage is being contiguous to city boundaries and adjacent to urban development. It minimizes residential impacts and uses Wente Road as a boundary. A country road bordering the vineyards defines the suburban limits of Livermore from the rural landscape. [ So. Livermore Valley Advisory Committee 1994 ]
Map 3.11 Citizen Advisory Committee Map: 7 STUDY AREAS
(Adapted from CAC Report, courtesy of Livermore Planning Dept.)
The South Livermore Valley Advisory Committee (CAC) met on June 1, 1994 and voted on the allocation of dwelling units in the several planning areas (#1-7). Six of 7 sub-areas were identified for development. Area #6 is designated for no development and reserved for mitigation acreage only. In a majority decision on June 1, 1994 (by a 5-2 margin), the CAC "Study Area" figure breakdown is as follows: [ See Map 3.11 ]

Table 3.3 CAC Allocation of Dwelling Units for Mitigation

<table>
<thead>
<tr>
<th></th>
<th>Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>East Vasco Road</td>
</tr>
<tr>
<td>2</td>
<td>West Vasco Road</td>
</tr>
<tr>
<td>3</td>
<td>Caldera</td>
</tr>
<tr>
<td>4</td>
<td>East Arroyo Rd/So. Marina*</td>
</tr>
<tr>
<td>5</td>
<td>Wetmore Road</td>
</tr>
<tr>
<td>6</td>
<td>Lonestar</td>
</tr>
<tr>
<td>7</td>
<td>Olivina Rd.**</td>
</tr>
</tbody>
</table>

1540 units***

* note: Citizens in this area voice opposition to any development
** note: Area #7 is not contiguous to present urban development.
*** Recommended cap of dwelling units on 705 acres: Total mitigation acreage is equal to 1540 + 705 = 2245 acres of vineyard planting

[ Source: So. Livermore Valley CAC and Livermore Planning Dept.]

In summary, based on the CAC drafted Table 3.4, the total net development acres will be 705 acres and total mitigation acreage is 2245 acres, according to the formulas worked out between Planning staff and the CAC. The report will go to the City Planning Commission and then to the Livermore City Council for public reviews. The Planning staff believe all study areas serve as "a starting point for evolving a refined proposal." General consensus will lead to the adoption of formal policy towards future development, namely a Specific Plan to implement the General Plan. {49}
Planning consultants were also available to the Advisory Committee to facilitate a vision of the Livermore wine region. One concept promotes vineyard villages scattered throughout the vineyard areas; endorsing the latest version of Vineyard Trails. [ Vineyard Trails 1994 ] [ Figure 3.3 ]

Livermore intends to comply with the letter and spirit of the SLVAP, while a careful analysis of lands most suitable for development serve its interest in compliance with the General Plan Amendment. The Plan neither established densities nor a holding capacity for the Study Area considered under the Livingston Plan. Instead, the SLVAP strategy was to maximize agriculture/viticul ture through development incentives, achieved through a number of combinations of development types and densities, making a range of development possible. The Plan is flexible and far-reaching. It does not depend upon zoning per se or any one scenario. It provided the public and the decision-makers with an upper benchmark of potential environmental impacts. While it is true other combinations of development, or no development, would lessen environmental effects, the SLVAP allows for mitigated development to benefit all parties, without the need for a TDC or other bureaucratic system to implement its goals. { 50 }

The Plan's worst case projection enabled Livermore and the County to pursue the best possible alternatives for achieving desired goals and objectives over a period of 20 to 50 years. The Plan will become just as relevant as it is now, the most feasible, cost-effective means of attaining land use goals. The Plan facilitates the long anticipated Land Trust to serve these goals. The Plan also portrayed the active role of the planner in a political process which is future-oriented and speculative in nature, but which evolves within the community. The planner served to identify community visions and values with a mandate which now states: this is the Plan.
<table>
<thead>
<tr>
<th>SUBAREA</th>
<th>LOCATION</th>
<th>COMMITTEE RECOMMENDATION</th>
<th>WINE COUNTRY AMENITIES</th>
</tr>
</thead>
</table>
| 1       | East of Vasco Road, south of East Avenue | • 75 gross acres  
• 15 ac. on-site mitigation  
• 120 units on 60 acres (2 du/ac) | None |
| 2       | West of Vasco Road, south of East Avenue | • 185 gross acres  
• 0 ac. on-site mitigation  
• 555 units (3 du/ac) | None |
| 3       | West of Wente Street, south of Robertson Park | • 95 gross acres  
• 5 ac. on-site mitigation  
• 270 units (3 du/ac) | One site |
| 4       | East of Arroyo Road, south of Marina Avenue | • 500 gross acres  
• 225 ac. on-site mitigation  
• 125 units on 75 acres (less than 2 du/ac)  
• "Wine Center" location  
• Emphasize views/buffering issues, trails | Three sites |
| 5       | North of Wetmore Road | • 145 gross acres  
• 15 ac. on-site mitigation  
• 170 units (1.2 du/ac)  
• Emphasize views/buffering, historic preservation issues | Two sites |
| 6       | South of Wetmore Road | • 187 gross acres  
• 0 units  
• Transfer 55 units off-site  
• Trails, habitat concerns | One site |
| 7       | South of Sycamore Grove Park | • 540 gross acres  
• 350 ac. on-site mitigation  
• 300 units (2.7 du/ac)  
• Visual constraints, trails, historic winery, protect  
Sycamore Grove Park, vast majority of units located on claypan area | One site |
| **Total** | | 1,540 units | Eight sites |

Wine Country Amenities include wineries, olive presses, bed and breakfasts, restaurants.
Wine Center includes wine museum, inn, complementary commercial such as bike rentals, gift shops.
Figure 3.3  A Candidate Parcel for Mitigation Acreage  
(Idealized schematic for 100 acre site with 3 du/acre)
Map 3.12  Advisory Committee Concept Plan for the SLVAP
(Courtesy of David Gates, Planning Consultant)
3.1 Area no.1- Looking east, off Vasco Rd
3.2 Area no.2- Looking west, off Vasco Rd
3.3 Area no.6- Looking south, off Wetmore
3.4 Area no.7- Looking s-west off Wetmore

PLATES 3.1 - 3.4 South Livermore CAC Study Areas
Vineyard Village

Central focus is based on wine-related business and amenities to support a wine country center. Close to the heart of the So. Livermore wine region centered on Cresta Blanca.

Wente Bros. Sparkling Wine Cellars

Figure 3.4 Vineyard Village Concept of Vineyard Trails
(Reproduced courtesy of David Gates, Planning Consult. and Howard Sword, "Vineyard Trails")

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Chapter Four: The South Livermore Valley Land Trust

Overview:
The Ruby Hill project was approved by the Alameda County Board of Supervisors in June 1991. County planners recommended the Land Trust be expedited on a timely basis to generate agricultural mitigation fees and hold easements. As part of Ruby Hill's approval process, an attorney who specializes in land trusts prepared a report for the Board of Supervisors. He suggested a land trust with a nine member Board of Directors, six of whom would be appointed by:

(1) The County of Alameda Board of Supervisors;
(2) The City of Livermore;
(3) The City of Pleasanton;
(4) The County Farm Bureau;
(5) Friends of the Vineyards; and the
(6) Livermore Winegrowers Association.

County planners, intent on avoiding any parochial influences that might compromise the effectiveness of the Trust, advised the Board of Supervisors to strike a "balance between maintaining a regional outlook that recognizes the greater County interest in preserving agricultural lands and being a credible organization with local landowners." [County Planning Summary Report 1992:12]

Once procedural requirements are met, the Board of Supervisors will establish a strategic plan including the Trust's mission statement, goals, objectives, and criteria for land acquisition. Specific criteria entail factors as location within or adjacent to the Plan Area, value of the property as agricultural land, proximity to development, importance of wildlife habitat, ease of management, Williamson Act status, and others. [underscore, my emphasis]
With the SLVAP as public policy, the Land Trust will have to formulate the mission and implementation of such policy. The Land Trust will act within a defineable geographic space, the south Livermore Valley. It could also serve as a working model for a future county-wide Open Space Land Trust which eventually secures a permanent Urban Growth Boundary. {3}

The impetus for creating the Land Trust was endorsed by the Friends of the Vineyards and the Livermore Wine Growers Association. In an effort to advance the policy objectives in the SLVAP Concept, the South Livermore Land Trust advocated by these two groups would pursue the: {4}

1. Protection, conservation, and enhancement of the agricultural resources of southern Alameda county;

2. Preservation of southern Alameda County scenic qualities (thus maintaining "scenic corridors" throughout the valley);

3. Education of the general public as to the benefits of conservation, and enhancement of the county's agricultural resources and scenic attributes. [Revised Draft SLVAP 1992: 5]

As they view the Plan, the Land Trust would have constitutional power through purchase, donation or a combination of strategies to (a) acquire open space and agricultural properties; (b) acquire conservation easements; and (c) receive contributions from governmental entities, foundations, corporations, and individuals to support its programs; and (d) work cooperatively with the County, developers, and non-profit organizations to further the conservation, preservation and promotional objectives of the County General Plan. [Revised Draft SLVAP 1992: 6]
4.1 Public Policy Planning for a Land Trust:
The Ruby Hill development will generate agricultural mitigation funds that could be used by the Trust as well as conservation easements that could be held by the Trust. Persuant to the SLVAP, the Trust will permanently protect productive agricultural/viticultural lands in perpetuity. This will entail a set of policy criteria for annexation; the County will actively discourage annexations that do not meet these criteria. Foremost is the policy that annexation could only occur if the properties have dedicated agricultural easements. Unlike the Williamson Act, which does not allow development on lands under contract, the SLVAP will permit development conditional on dedicating easements and which will contribute funds to the Trust. Mitigation by development is unique to this Plan. {5}

For Transitional Areas (namely "Vineyard Avenue Corridor": 240 acres; "Alden Lane": 250 acres; and "Patterson Pass": 640 acres), the SLVAP assumes these will eventually be annexed and developed within Pleasanton or Livermore. While no land uses or densities are specified, any development within these areas would be required "to compensate for loss of cultivable soils through payment of agricultural mitigation fees to a ... Land Trust to be used to purchase agricultural easements in other parts of the Plan Area." [SLVAP-DEIR 1992: III-4]

California has many different examples of agricultural land trusts. The San Francisco Bay region provides some exemplary models of private farmland trusts or conservancies, notably the Marin Agricultural Land Trust (MALT) and others in Napa, Sonoma, and Solano Counties. Since the 1970s, these and other trusts have protected over 50,000 acres of farmland. The MALT model may be instructive for comparative purposes; one of the largest agricultural land trusts in the state. {6}
The Livingston study of South Livermore Valley observed that "A private trust, authorized to receive tax-exempt gifts of money, land, or development rights would be a particularly appropriate vehicle to supplement a public development rights purchase program." [Livingston 1989:61]. In principle, local trusts obtain gifts of land or funds donated to purchase fee title or development rights in properties which are intended to be preserved in agriculture or other open space uses. Agricultural lands acquired by the Trust may be leased to farmers or sold subject to deed restrictions limiting their use to farming. The landowner agrees to these conditions though participation in a trust is voluntary. Landowners must be committed to preserving their land for actual or potential agricultural use or see no potential for urban development. When development rights are removed from the land, its value is reduced. [Chart 4.1] { 7, 8 }

In effect, farming becomes the highest and best use of the land. Property tax yield is also reduced accordingly. This is equivalent to Williamson Act contract terms wherein land is not taxed at the market rate. The public cost is equal to the foregone tax revenue. Compensation for giving up the right to develop uses, other than agriculture, is based on rights given by zoning regulations. Market demand for other uses does not enter into compensation. Programs as the California Williamson Act (1965) or Oregon's Farm Tax Deferral program (1963) have encouraged farmland preservation. Alameda County supports the Williamson Act to protect existing agricultural lands intended to keep land in agricultural production under a ten year contract period. No such lands within the Ruby Hill project area under Williamson Act contract. Livermore Valley, however, does shows a high success rate with Williamson Act contracts; this has been remarkable in view of the considerable urban pressures ensuing in recent years.
Chart 4.1  Landowners Options and Conservation Choices
(Reproduced courtesy of Joan Vilms; Land Trust Operations 1992)
In a Williamson Act contract, owners relinquish development rights in exchange for lower property taxes. Nevertheless, they are not permanent fixtures and not a guarantee that such lands will be committed to their highest and best use. Farmers argue: zoning restrictions and urban limits place the entire cost of protecting land on farmers while preventing them from obtaining the land's true market value.

County planners intend formation of the Land Trust as an autonomous non-profit corporation with Federal and State tax exempt status to "permanently protect productive and potentially productive cultivable agricultural lands." The staff recommended Alameda County, the City of Livermore and the City of Pleasanton should have appointment authority to the Trust Board of Directors. Accordingly, land trust mechanisms should be to "purchase or accept donation of lands in the Plan Area in fee or easement, with reconveyance subject to unanimous agreement by the Board of Directors."

Furthermore, "Agricultural mitigation funds required to be paid by the Ruby Hill development, any other future urban development in the Plan Area, and other appropriate sources should be used to fund the Trust purchases." The County would require urban development in the Plan Area "must mitigate impacts on and substantially enhance cultivated agriculture" not only by paying fees to the Trust but also by the "direct planting of new vineyards, by dedicating agricultural easements on lands within the Plan Area, and/or by including major wine-oriented attractions that would increase recognition of the South Livermore valley as a premium wine producing region." Alameda County acts as the lead agency in setting this development policy and will oversee the trust mission in implementing goals. [Revised Draft SLVAP 1992:3-4]
The County encourages Pleasanton and Livermore to "adopt policies and programs establishing other sources of funds for the Agricultural Land Trust such as fees on development outside of the Plan Area." The County has taken the initiative in establishing cooperative efforts for regional planning involving the County, the Cities of Livermore and Pleasanton, landowner associations and citizen groups. This represents an opportunity to design a coordinated land use policy to achieve long-term goals. Farmers traditionally mistrust government agencies at all levels. They often work with a private local land trust. MALT is a case in point. There is no land trust history in Livermore. The proposed South Livermore Valley Land Trust would be structured free of government bureaucracy and could move quickly to counter immediate threats to the farming sector. Nevertheless, a primary issue in the formation of the proposed Land Trust concerns the County's involvement in its operations. Both citizens and winemakers have pressed the County and Signature Properties, the developer, to find a mechanism that would assure the "investment goals" of the Trust would not be altered. Some form of guarantee that would prevent the Trust Board of Supervisors from spending mitigation funds on other investments is basic. {9}

In addressing these and all other concerns, the South Livermore Land Trust will formulate a "strategic plan" which establishes the trust's mission statement, goals, objectives, and a set of criteria for land acquisition for the South Livermore Valley; in addition, monitoring and audit procedures are established. Usually one and five-year goals are outlined. This is in order that the trust's short term objectives are clarified. It is likely that the trust will require the first year to fully develop its strategic plan while organizing an office, staff, and technical resources.
Figure 4.1 Land Trust Purchase of Mitigation Fees
(Reproduced with permission of Alameda County Planning Dept.)
4.2 Final EIR and Legal Framework for Land Trust:
In the Final EIR of the SLVAP, Livermore's Director of Planning responded to the DEIR by clarifying that mitigation measures be included which specify restrictions on how Land Trust funds be spent [FEIR-SLVAP-II-30]. In response, County planners point out the recently signed Ruby Hill settlement agreement between the county, Livermore and developers contains "limitations on the operations of the proposed Trust." Land acquired with Trust funds shall be used only for agriculture, open space, or for habitat mitigation purposes. Only real property or development rights on real property located within the boundaries of the Plan Area (or on real property in the vicinity of the Plan Area) qualifies for Trust fund use and allocation. With the understanding of Signature Properties, builder of Ruby Hill, mitigation fees established in the South Livermore Valley area will apply to all property regardless of whether it is annexed to Livermore or Pleasanton or remains in the unincorporated County lands.

Alameda County needs to establish the South Livermore Land Trust in order "to uphold the settlement agreement and to effectively use the mitigation funds that will be generated by the Ruby Hill development." Even if the SLVAP were not approved, the legal framework has been established for the Land Trust to go into effect. The legal instrument of the Trust is conditioned by the settlement, which ensued between the County and other parties. The County is legally bound as well as other jurisdictions and developer's interests. This is the crux of the legal and planning process, whereby litigation forced the parties, city, county, corporate, and citizen to resolve issues and form a consensus of opinion. Only the technicalities of the Plan and how the Trust will operate will require ongoing communications between planners and the trust managers. The County is a facilitator for now.
Other activist citizen groups have expressed their concerns about the SLVAP giving testimony and filing statements to the FEIR, available to the public. The Fertile Crescent Coalition expressed their concern of the cumulative impacts of a maximum population projection on the rural ambience of the south Livermore valley. They also questioned whether the Trust should pay for a biological survey of rural lands instead of the developers. In other words, the Land Trust should not pay for mitigation requirements. {10}

Since the DEIR identified the expansion of cultivated agriculture as "impacting wildlife habitat" the County proposed a mitigation measure and that the Land Trust use the "protection of critical habitat areas as one of the criteria for targeting land as easements on acquisition. In order for the Trust to select habitat areas for acquisition, additional biological surveys will be necessary for areas that could be potentially cultivated ... These surveys would be paid for by development proponents." This implies a very significant land use policy: "environmental sensitivity is a pre-requisite for rural and urban development policies ...." [SLVAP-FEIR-II-87]

The Fertile Crescent Coalition questioned: "How will the Plan ensure that the 20-acre parcels remain in agriculture in perpetuity?" The County responded that according to the Plan, 20-acre parcels could only be created if 90 per cent of each parcel is cultivated and under agricultural easement. The Plan requires a minimum 90 per cent of a parcel be planted prior to subdivision approval, in order to achieve bonus densities. Moreover, as a condition of approval, "Ruby Hill must plant half of the required vineyard land ... prior to a Phase I Final Map approval. The remainder must be planted prior to approval of a Final Map for the second half of the permitted units. A long-term maintenance contract for the vineyards must also be approved ..." [SLVAP-FEIR-II-69;88]
The City of Livermore will require a minimum 8-year maintenance contract for 20-acre parcels in the proposed annexation area east of Vallecitos Road. The new Crane Ridge 10-acre vineyard estates requires vineyards be maintained under the CC&R (covenant and restriction codes) and enforced by the homeowners association. To be sure, there is an economic incentive for new vineyard owners. At $10,000 per acre average, viticulture represents a sizeable investment to property owners (with an average net of $1000 an acre). { 11 }

It has been suggested by other development interests that the "transitional" areas pay up to $10,000 per acre for loss of agricultural soils. [SLVAP-FEIR-II-92;II-96] The Plan calls for mitigation fees to be assessed on a per acre basis in the Transitional Areas for all potentially cultivable soils. It has been argued: prohibiting any development that does not enhance or expand cultivated agriculture does not make sense for the Transitional areas. Under the Plan, these areas (eg. Patterson Pass) would further the purpose of expanding and enhancing cultivated agriculture by contributing mitigation funds to be used by the Land Trust to purchase easements.

One citizen posed the following question: "Since it could significantly affect how much land could be purchased, how will the value of the conservation easements and Trust lands within the Plan area be determined?" [SLVAP-FEIR-II-136]. The County's response is:

"The proposed land trust would operate within the market system. The Trust would purchase fee title or easements from willing sellers within the Vineyard Area, making the actual value of easements or land a product of the market. Like any real estate transaction, the land trust, in negotiation with the landowner, would have to consider the location of the land in question, its potential for development, Williamson Act status...." [SLVAP-FEIR 1992: II-141]
Based upon these criteria, it can be argued that agricultural easements are a much more effective and preferred alternative to the Williamson Act for the protection and retention of agricultural lands for these reasons: (1) agricultural easements would be in perpetuity whereas a Williamson Act contract can easily be terminated; and (2) agricultural easements entail further requirements that the land be brought back into active agricultural use. Much Williamson Act land is not in active agricultural use and need not be in production. Meanwhile, the influence agriculture has on a county's economy seems to have little effect on whether land trusts are formed, according to a study by the State Coastal Conservancy which collaborates on land trusts. [12, 13]

Vineyard Trails, a cooperative effort of vintners and developers, proposed "limited flexibility for developers of Williamson Act contract lands as necessary means to promote the overall objectives of the Plan." It recommended the Plan retain a policy of prohibiting development on Williamson Act parcels, but allow limited exceptions based upon finding "that development of the contracted land would provide a more contiguous pattern of urban development than development of proximate non-contract land." [SLVAP-FEIR-II-112]

The County's response to Vineyard Trails is:

"It is possible that a prohibition of Williamson Act cancellation could have the opposite effect if development were proposed that had to extend farther out into the Plan Area because other, closer-in lands are under contract. To alleviate this possibility, this mitigation measure is proposed:...Require that an area within the Vineyard Area equal or greater in area to the parcel(s) on which cancellation would occur be placed under permanent agricultural easement and planted with vineyards with a long-term maintenance contract, prior to final approval of any cancellation." [SLVAP-FEIR-II-116]
This is one of sixteen new mitigation measures identified in the FEIR. To recall, the SLVAP document is a program EIR, conducted according to the County planning EIR process. Despite any complaints or negative review of the document by citizenry and professionals, the fact is a project has been approved within the Plan Area and the SLVAP-EIR correctly treats it as such. [SLVAP-FEIR-III-8-11]

The FEIR does not resolve the question of the viability of 20-acre vineyard estates. It is true the economic model used in developing the plan has not been tested by the consultant. The County Planning Department and Commissioners fulfilled its obligations to do the environmental review process and to hold public hearings leading to the Final EIR. Discussion and debate have become a matter of public record. The Board of Supervisors adopted the Plan as an amendment to the Alameda County General Plan, but only after the issues in the EIR were addressed. These ranged from environmental impact to economic efficiency.

One Planning Commissioner posed the question: "Why are 20-acre parcels the most efficient for preserving viticulture?" The County Planning Director responded to the economic study: They are, but only from the standpoint of "efficiency in the context of protecting the largest acreage of vineyards with the least amount of new development, not that 20-acre parcels are efficient viticultural units." [SLVAP-FEIR-II-160]

The marketability of 20-acre parcels remains to be seen. Another Commissioner commented owing to the fact the "proposed plan uses mitigation measures that depend on the economic feasibility, an economic study must be part of the EIR, and that it would be necessary to certify the EIR." [SLVAP-FEIR-II-161]
The Alameda County Counsel responded to the question of whether the CEQA required the feasibility of the policies of the SLVAP be justified with an "economic study": "CEQA does not require a finding of economic feasibility as a condition to approving a project" (An economic effect is not an environmental effect within scope of CEQA) [Longtin 1987]

However, even if economic, social, or other conditions make infeasible a project alternative or mitigation, the project may still be approved. In that case, "specific findings must be made describing the economic or other conditions causing such infeasibility and a statement of overriding considerations must be adopted explaining the benefits of the project vis-a-vis the environmental risks." {14}

In summary, the Final EIR serves as the environmental review document for County actions necessary to implement the Plan. It amends the Zoning Ordinance to create a Cultivated Agricultural Overlay District in the Vineyard Area and implements the South Livermore Valley Agricultural Land Trust. The Final EIR emphasizes environmental analysis of public policy considerations, regional influences, cumulative and growth-inducing impacts, using a worst-case projection of full development effects on the land.

Following Plan adoption, individual development projects within the Plan Area will be subject to environmental review by County or City under whose jurisdiction the action will occur. The FEIR is the basis for a Negative Declaration if sufficient, or whether another EIR is needed on a project-by-project basis. The Alameda County Board of Supervisors authorized the revised draft Plan in February 1992 as the preferred alternative in the CEQA process. In compliance with State law, a mitigation monitoring program was included in the Final EIR. [Chart 4.1] {15}
The SLVAP creates no new entitlements. The County does not sponsor new urban development, nor does it specify densities or holding capacities for such development. Land acquired through the Trust will be for agricultural, open space, and habitat mitigation purposes. There will be no transfer of development credits as in the Livingston study. Instead, conservation easements will be dedicated on lands in question and under legal entitlements agreed to affect new annexations in the sphere of influence of Livermore. Ruby Hill will now proceed as a project within the sphere of influence of Pleasanton and annexed accordingly.

With this legal framework intact, the Land Trust would operate within the market system, making the value of easements or land a market product. As in all real estate transactions, the Land Trust, in negotiating with landowners, would consider the location of land, its potential for development, and Williamson Act status, etcetera.

The County intends to "maximize long-term productivity of the planning area's agricultural resources... (and) provides incentives to landowners to stimulate agricultural investment" [Draft East County Area Plan: 1993:iii]

Once the Land Trust is formally established, the County will encourage cities in the planning area to adopt policies and programs to provide additional funds for the land trust to operate. There is no guarantee that sufficient mitigation fees be generated from the Ruby Hill development to purchase conservation easements to fund the trust in procuring other lands for viticulture. On the prospects of the economic model and absorption rates for the South Livermore valley, however, South Livermore Land Trust may become one of the richest land trusts in the country, with a projected $16.6-18.6 million fund over a 20 year period. [Table 4.1] [Chart 4.2] {16}
Chart 4.2  Land Trust Political Agenda/Timetable

ALAMEDA COUNTY PLANNING DEPT. ==> South Livermore Valley Study
[Dates: ... 1987 - 1989] and Economic Study

ALAMEDA COUNTY PLANNING COMMISSION ===> Public Hearings
[Dates: ... 1992 - 1993]

ALAMEDA COUNTY BOARD OF SUPERVISORS ===> Approve SLVAP
[Dates: February 23, 1993]

ALAMEDA COUNTY PLANNING ===> Recommends Land Trust Committee
[Dates: April 19, 1993]

PLANNING COMMISSION ===> Appoints the South Livermore Land Trust
Steering Committee
[Dates: May 19, 1993]

Land Trust Steering Committee ======> Draft Mission Statement and
Recommend Governing Board
[Dates: June 24, 1993; August 12, 1993; October 21, 1993]

Alameda County Planning Commission ===> Approval of "Mission
Statement" and "Bylaws" for the formation of the South Livermore Valley
Agricultural Land Trust.
[ Date: November 15, 1993 ]

Alameda County initiated its Study in 1987, leading to adoption of
the South Livermore Valley Area Plan; This authorized the County
Planning Commission to hold hearings leading to establishment of
a Land Trust Steering Committee in order to advise the County on
legal formation and membership, to which the Board of Supervisor
will give final approval and delegate to the Governing Board of
the Land Trust to conduct business and implement County policy
based on the mission statement and incorporation of by-laws.

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### TABLE 4.1 Vineyard Acres Created and Land Trust Funding Based on Agricultural Mitigation Fees

<table>
<thead>
<tr>
<th>Plan Sub-Areas</th>
<th>Dwelling units</th>
<th>Vineyards</th>
<th>Protected Vineyards</th>
<th>Fees</th>
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<tr>
<td><strong>Existing Vineyards</strong></td>
<td>2000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Approved Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ruby Hill</td>
<td>850</td>
<td>467</td>
<td>467</td>
<td>$8.5M</td>
</tr>
<tr>
<td>Crane Ridge</td>
<td>10</td>
<td>175</td>
<td>175</td>
<td></td>
</tr>
<tr>
<td><strong>Proposed Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ruby Hill [20 acre parcels] +</td>
<td>32</td>
<td>83</td>
<td>83</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>892</td>
<td>2,725</td>
<td>725</td>
<td>$8.5M</td>
</tr>
<tr>
<td><strong>Vineyard Area Overlay District</strong> (density bonus/20 acre parcel)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Vineyards++</td>
<td>50</td>
<td>(100)</td>
<td>900</td>
<td>--</td>
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<tr>
<td>New Vineyards</td>
<td>30</td>
<td>540</td>
<td>540</td>
<td>--</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>80</td>
<td>440</td>
<td>1,440</td>
<td>--</td>
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<tr>
<td><strong>Transitional Areas</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Vineyard Avenue Corridor:</td>
<td>275</td>
<td>-</td>
<td>-</td>
<td>$1.4</td>
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<tr>
<td>Alden Lane</td>
<td>330</td>
<td>-</td>
<td>-</td>
<td>1.8</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>625</td>
<td>-</td>
<td>-</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Vineyard Area - Urban Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Development:</td>
<td>1000</td>
<td>1500</td>
<td>1500</td>
<td>-</td>
</tr>
<tr>
<td>Mitigation Land: ##</td>
<td>38</td>
<td>(75)</td>
<td>(75)</td>
<td>5.0</td>
</tr>
<tr>
<td>(density bonus/20 acre parcels)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,038</td>
<td>1425</td>
<td>1525</td>
<td>5.0</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>2,635</td>
<td>4,590</td>
<td>3,590</td>
<td>$16.6</td>
</tr>
</tbody>
</table>

* Acreage placed under agricultural easements.
** Excludes other cultivated agriculture such as olive and walnut orchards.
+ The 83 vineyard acres represent net new acreage after subdivision of existing + required vines
++ For every 20-acre parcel created from new vineyards, 2 acres subtracted for every homesite.
# Fees are equal to $10,000 per developed acre. ## Fees are equal to $10,000 per urban unit.
[Source: Alameda County and Economic and Planning Systems, Inc. (8/24/92)]
4.3 Conservation Easements: A New Land Planning Tool

The establishment of a new land use category, Agriculture/Viticulture means development on lands subject to the new General Plan below a density of one unit per hundred acres, but not less than 20 acres, require landowners to enter into conservation easements. Easements require protection of the following: (1) environmentally sensitive areas; (2) planting of wine grapes or other intensive agriculture; (3) parcel designations which maximize viticultural uses, and (4) creation of permanent agricultural easements over 90 per cent of each parcel applying for a density bonus. The latter is applicable where lands are annexed in the Vineyard Area. These conservation easements will run in perpetuity, unlike open space easements which have a minimum 10 year term. [Chart 4.3] { 17 }

The question is posed: "What is the value of an agricultural easement?" By definition, the "value of an agricultural easement is equal to the difference between the unrestricted full 'fair market value' of a property (before any deed restrictions are placed on it) and the value of the property after the restrictions are placed on it and the easement is recorded." [Economic and Planning Systems 1992: v-1]

Of course, the value of an easement will be site-specific and depend on the development options of the landowner. According to the SLVAP, each landowner has alternative land use options depending on their location within the Plan Area boundaries and the land use status. Each land use conversion option has a different mitigation requirement from the planting of grapes to a $10,000 fee per dwelling unit. It can be assumed therefore that agricultural easements have an average value of $10,000 per acre.
South Livermore Valley Agricultural Land Trust

**STRUCTURE:**

SLVAP-Plan ===> COUNTY-Policy ===> TRUST-Corp.

[TRUST Charter ===> Mission Statement + Governing Board + Bylaws]

**OPERATION:**

DEVELOPMENT in Plan Area ===> MITIGATION FEES

URBAN UNIT FEES + PARCEL FEES ===> EASEMENTS

**ASSET DISTRIBUTION:**

EASEMENTS ===> Agricultural, Open Space, and Habitat

Agricultural / Viticultural Expansion ===> Up to 5000 Acres
Open Space/Scenic Corridor ===> 1000-2000 Acres?
Habitat Preservation / Restoration ===> 100-200 Acres?

**Chart 4.3 S.L.V.A.L.T. Operational Flow Chart:**

The South Livermore Area Plan directs the County of Alameda to work with the Trust in the collection and distribution of fees generated by development in the Vineyard Area and Ruby Hill. Both housing unit fees and parcel fees will be committed to the general fund for the sole purpose of purchasing conservation easements. Easements will comprise prime viticultural lands, scenic open space corridor, and habitat mitigation for endangered species. Total projected agricultural / viticultural acreage is 5000 acres for both protected and expanded intensive cultivation with contributions from both trust funds and the developer who agrees to redevelop the original vineyards of Ruby Hill and restore the historic winery as part of the final settlement between all parties.
An easement value will be determined eventually by market forces, by what a seller and buyer negotiate. An independent appraisal of the easement value will be required by the purchasing Land Trust. If the Land Trust is a buyer, it will be able to offer additional incentives to the seller. \{18\}

One hundred acre parcels are historically and geographically the minimum agricultural land use. Landowner of a 100 acre vineyard parcel eligible for subdivision into five 20 acre parcels can dedicate or sell an easement to the Land Trust. If an easement is dedicated, this will permanently preclude the option of subdividing the mitigation land into 20 acre parcels. The value of a 100 acre parcel, in which 98 acres of vineyard are set aside with a 2 acre homesite, is estimated at $1.8 million or $18,000 an acre. \[\text{Figure 4.2}\]

In economic terms, many landowners would prefer a cash offer for the easement from a developer seeking land from the Land Trust instead of risking financial uncertainty of subdividing and marketing five 20 acre vineyard parcels over an indefinite period. The proposed Agricultural Land Trust will already have an estimated $8.5 million assigned development fees paid by the Ruby Hill project. The Land Trust will be able to negotiate the purchase of agricultural easements totalling some 1200 acres. About 2000 acres of cultivable land in the Vineyard Area fall into the category of vineyards with 100 acre zoning. A landowner has two land use conversion options: (1) sell an agricultural easement to the Land Trust or (2) subdivide the land into 20-acre parcels.

Friends of the Vineyards regarded the 100 acre parcel size as an impediment to the growth of small, family-owned operations needed to revitalize the wine industry. Large landowners did not want any restrictions on grazing lands. Meanwhile, the County sought to employ more dynamic expression of land uses.
Land use criteria were: (1) existing vineyards; (2) new agricultural/rural residential; and (3) urban development. A fourth criterion is: (4) timing and implementation as an added policy to specify the amount, timing and location of urban development within the Vineyard Area. Timing and implementation signify the guidelines to direct speculation away from productive lands and to increase future land use certainty while preserving large contiguous tracts of agricultural land to maintain commercial operations and to minimize conflicts with non-farm uses.

Based upon all documentation, modifications for existing vineyards are designed to: (a) limit the subdivision of existing vineyards in the Plan Area to a maximum of 100 acres per year to maintain a market for new vineyards on presently uncultivated lands (reducing the potential for subdivisions to saturate the market for twenty acre parcels); (b) require new homesites on parcels with existing vineyards to be located so that the minimum amount of vineyards are divided or destroyed, while meeting minimum requirements of the Zone 7 Irrigation District and Williamson Act; require clustering new homes and replacing impacted vines.

Concerning new agriculture, primary criteria are: (a) remove any ability to subdivide mitigation acreage required for urban development in the Vineyard Area. Mitigation acreage would remain under existing 100 acre zoning. (Result: have a dual benefit of reducing potential number of 20 acre parcels and creating larger vineyard parcels); (b) require that new vineyards or other cultivated agriculture created as a result of 20 acre subdivisions include provisions for the long-term maintenance of cultivated agriculture as a condition of approval (Result: reduce potential for new vineyards to be planted so that lands can be subdivided, then abandoned); and
(c) require mitigation acreage for urban development in the Vineyard Area be dedicated and planted and evidence be given of a long-term maintenance contract (8+ years) prior to approval of a final map (Result: ensure that mitigation acreage is dedicated and planted before final entitlement for urban development; that mitigation acreage will be maintained).

Finally, concerning urban development these criteria are stipulated: (a) prohibit new urban development that would require Williamson Act contracts to be cancelled; (b) Require that an area within the Vineyard Area equal to or greater in area to the parcels on which cancellation would occur be placed under permanent agriculture easement (Result: reduce the potential for new urban development to sprawl to avoid non-renewed parcels still under contract).

It was further recommended by staff that an added policy of timing and implementation be incorporated by the City of Livermore to the General Plan "to include relevant policies of the proposed Plan within one year of adoption of the Plan by the County" [Draft SLVAP 1992:10] This implies the City of Livermore should be encouraged to adopt a Specific Plan and/or a General Plan amendment that would specify the amount, timing, and location of urban development in the Vineyard Area consistent with Plan policies and within three years of an application for urban development.

A policy of timing and implementation will also entail "the need to establish a monitoring program to assess on-going effectiveness of Plan policies by tracking cultivated acreage easements, land trust actions, development mitigation fees collected and other pertinent information."
In view of these specified criteria for adoption by the City of Livermore, the Planning staff is at work incorporating the provisions of County planning policy as amended to the General Plan into its own General Plan which will formulate long-term public policy, especially as it pertains to forming an agricultural land trust, the key instrument. Again, the planning process initiated by the County reverts to the City, requiring all stages outlined for timing and implementation.

To recall, the Livingston draft Specific Plan proposed to identify receiving areas to the south and east of a proposed agricultural preserve in the Vineyard Area to develop at varying densities, if development credits were purchased from preserve landowners. Ruby Hill would be one of these receiving areas. Approval of the Ruby Hill Project since the Draft South Livermore Valley Plan effectively eliminated one of the two receiving areas, the other being east of Greenville Road. This reduced the potential for a successful transfer of credits system within the Plan Area. The County Board of Supervisors considered this and took under advisement the infeasibility of the Specific Plan's reliance on a County bond measure for South Livermore agricultural protection. The Ruby Hill Project, once the subject of litigation between City and County, became the focus for City and County implementation of the approved SLVAP.

Friends of the Vineyards endorsed the Ruby Hill project in 1991, with the stipulation that it be developed within the context of a Specific Plan for the Fertile Crescent. Their own efforts and legal actions assured that Ruby Hill would be brought into line with their goals to protect and promote the vineyards. With their support and others, the SLVAP was enacted, to become an overlay on the County's General Plan. Once legal hurdles were cleared, conservation easements could become reality. These are the building blocks of the Trust.
4.4 The Value of an Easement on a 100-Acre Vineyard

The actual value of the easement will be site-specific and will depend on the development options available to the landowner. There will be a range of easement values in the South Livermore Valley, depending on the proximity to existing urban development: the closer the subject parcel the higher the value. "Ultimately an independent appraisal of the easement value will be required by the Land Trust purchasing the easement and/or the landowner will need an independent appraisal that meets IRS standards if they are claiming a tax deduction for the dedication of an easement."

According to the Land Trust, a landowner of a 100-acre vineyard parcel eligible for subdivision into five 20-acre parcels can either sell or dedicate an easement to the Trust. "If an easement is dedicated this will permanently preclude the option of subdividing the mitigation land into 20-acre parcels." The value of the easement would be equal to the value of the forfeited right to subdivide into five 20-acre parcels. [Economic and Planning Systems 1992: V-3]

The County has estimated a 100-acre parcel, 98 acres of vineyard with a two-acre homesite be valued at approximately $1.8 million or $18,000 per acre. The value of a 100-acre vineyard with five home sites would be about $2.8 million or $28,000 per acre. The difference between before and after subdivision values is about $10,000 per acre. In a cash purchase offer, the landowner would probably yield for a cash settlement at a discount. It is anticipated the value of an easement for a 100-acre vineyard parcel in the Vineyard Area will be in the range of $6000-8000 an acre. With an estimated $8.5 million in Ruby Hill mitigation funds, it would be in a position to negotiate for purchasing easements totalling 1200 acres. [Economic Planning Systems 1992: V-3]
Success in achieving the goal of 5000 acres in protected vineyards depends on incentives to develop at urban densities: "The expected gain on the development and sale of homes in the South Livermore Valley Area must provide sufficient incentive for a developer to be willing to pay the mitigation requirements. ... finished home prices in the south end of the Livermore will range from $250,000 for townhouses to $700,000 for high amenity custom homes." [EPS 1992:V-7]

The County's economic study concluded: "The average cash value of an easement payable to a landowner, in the event that (he or she) chooses to forego future development ... is estimated to be in the range of $6,000 to $8000 per acre. ... Alternatively, the Trust could contract with existing landowners in the Vineyard Area to plant and subdivide new vineyards in return for the dedication of agricultural easements." [Economic and Planning Systems 1992:V-15]

Based on an average easement value of $7,000 per acre, the Land Trust could acquire easements over 2,400 to 2,700 acres of vineyard land, based on the mitigation fees collected from Ruby Hill ($8.5 million) and the Transitional Areas ($3.1 million). After a 20-year period this would total 4,600 to 4,900 acres of vineyards. Under the more conservative scenario, this is only 400 acres short of the ultimate 5,000 acre goal. If the absorption of 20-acre vineyard parcels is increased or if the incentive to subdivide existing vineyards is decreased, the chances of achieving the 5,000 acre goal improve. In the Vineyard Area, high-value, low density (upscale) housing on large lots will more easily absorb the cost of mitigation measures. The economic study concludes, however: "a broader mix of densities and prices would have a faster absorption rate and enable the Plan to achieve its vineyard creation and protection goals in a shorter time ..." [Economic and Planning Systems 1992: V-14,15]
In summary, several land use options are available to landowners in the Vineyard Plan Area. They are as follows:

1. **Existing Vineyards with 100-acre Zoning:**
   
   **A. Sell an Easement to the Trust:**
   Based on an estimated easement value of $7000 per acre (mid-point range) total value on the whole parcel would be $690,000 (100-acre vineyard with a two-acre home site.)

   **B. Subdivide Land into 20-acre Parcels:**
   Subdivide 100-acre parcel into 20-acre parcels; gain four additional two-acre home sites valued $250,000 each for a total incremental value of $1,000,000.

2. **Existing Agricultural Lands with 100-acre Zoning:**
   
   **A. Establish vineyards without mitigation revenues:**
   Plant in grapes or olives, etc. Cost of planting vineyards is $9-12,000 per acre. For a 98 acre parcel, with 2-acre home site cost of planting is $1.0 million [Annual net cash flow = $98,000 ($1000/acre)]

   **B. Establish vineyards with mitigation revenues:**
   Developer will pay $10,500 per acre to establish a vineyard and an average $7,000 per acre for easement. In return, developer receives density credits towards urban residential development elsewhere.

   **C. Establish vineyards with mitigation revenues then subdivide into 20-acre parcels:**
   Where land is planted in grapes for mitigation and then subdivided into 20-acre parcels, a $10,000 fee must be paid on the urban development.

   **D. Develop at Urban densities and pay mitigation**
   For every developed acre, an acre of land in the Vineyard Area must be planted in grapes (or other crop).

**Outline 4.1 Vineyard Plan Conversion Options and Values**
Mitigation costs have been calculated for a hypothetical development in a 100-acre subdivision adjoining Livermore, based on the assumption of an overall gross density of two units per acre this would produce 20 housing units. The mitigation requirements needed to obtain building permits for the 200 unit subdivision would be: [EPS 1992: V-7]

1. **ACRE for ACRE**
   
   [100 acres of new vineyards planted and protected]
   
   **COST:** c. $10,500 per acre to plant grapes;
   
   **TO BUY:** $7,000 per acre to buy an agricultural easement;
   
   **Total COST:** $1.8 million

2. **"One Acre per Unit Mitigation":**
   
   [200 acres of new vineyards planted and protected]
   
   **COST:** $10,500 per acre for planting;
   
   **TO BUY:** $7,000 per acre for an easement;
   
   **Unit COST:** planting and protection: $17,500 per acre;
   
   **Total COST:** $3.5 million

3. **Total Mitigation Costs for 100-acre subdivision — 200 units:** Developer contracts with an existing landowner who intends to become a vinter:
   
   **Total COSTS:** $5.3 million ( $26,500 per unit ).

4. **Total Mitigation Costs for 100-acre subdivision — 200 units [Mitigation land subdivided into 20-acre parcels]**
   
   **Additional Fees:** $10,000 per unit on urban development
   
   **Total Mitigation Fees:** $36,500 per unit.

Outline 4.2 **Mitigation Costs per Unit of Urban Development**

(Adapted from Economic and Planning Systems report, 1992)
4.5 Mission Statement and Implementation of Policy
The first Land Trust Steering Committee meeting convened in Livermore in June, 1993. Representation was: three members from the County; three members from the city of Livermore, including the Mayor; two members from Pleasanton; one member from Friends of the Vineyards; and the President of the Livermore Winegrowers Association, Mr. Steven Kalthoff, the former chairman of the Citizens Advisory Committee. {19}

Two planners, one from the city of Livermore and another from Alameda County, directed the proceedings with background materials made available to all. Cathie Brown, Mayor of Livermore, was elected vice chairman. She was concerned at reaching a consensus. Brown said: "We're at the end of the issue ..." noting that all the controversy of the past five years was behind and raised the question of unanimity of members. Others were concerned with defining the mission of the Land Trust, including what by-laws should be incorporated to state what the Trust can do.

County planner Stuart Cook summarized all the mechanics of the SLVAP plan to assist the members of the Steering Committee in drafting their mission statement and articles of incorporation for approval by the County.

Livermore planner Eric Brown pointed out the Steering Committee was not a public policy-making group but an implementation group. It is to serve the function of carrying out the terms of the Final Settlement. Its business purpose was twofold: to define a Mission Statement and to elect a Board of Directors. Subsequently, the Steering Committee decided on the legal structure and representation of the Land Trust. The formal trust name would become South Livermore Valley Agricultural Land Trust (hereafter SLVALT).[Chart 4.4]
Land Trust Steering Committee: 9 Members

[Chairman] *

Livermore Councilmember  Pleasanton Councilmember
(2) County Commissioners  (2) City Planning Commissioners
Friends of the Vineyards  Livermore Winegrowers Association
(1) Alternate

(*) President of the Alameda County Board of Supervisors (Ed Campbell)

AGENDA

Draft Mission Statement ======> Board of Supervisors =======> Approve/ Disapprove

=====> Legal Consultants ======> Draft Charter/ By-Laws

(Proposed) South Livermore Agricultural Land Trust: 7 Members

BOARDS OF TRUSTEES

=> [COUNTY] [Livermore] [Pleasanton] [Friends] [Winegrowers] [2 At large]

Commissioners --------------

Citizen Business Citizen/
Professional

Chart 4.4 Land Trust "Steering Committee" and Board Proposal:
The process in establishing a Land Trust begins with the County appointed "Steering Committee" which has the responsibility for drafting the essential documents and organization of the Board to be submitted to the Board of Supervisor's for final approval. The Governing Board of Trustees will consist of three governing jurisdictions, two areawide organizations, and two appointed at large. The Steering Committee voted in a majority for a 7 member Trust Board as more representative of the Livermore wine region.
The Land Trust Steering Committee convened again to draft the Mission Statement and legal aspects of the Trust charter and by-laws. Supervisor and Chairman Ed Campbell commented on the need to organize a "non-political" Trust. He emphasized the terms of the Trust in accordance with the Ruby Hill settlement to work with the three jurisdictions, Livermore, Pleasanton and Alameda County. Issues raised concerned aspects of control, fiduciary responsibility and 503 restrictions (Federal tax codes for charitable trusts). Membership of the Governing Board was resolved with a vote in favor of a seven member Board. Three members represent the three jurisdictions respectively. One member represents Friends of the Vineyards and one member represents the Livermore Winegrowers Association. Two members would be appointed at large. One could represent the Farm Bureau, for instance; the other could be a finance professional.

The committee drafted the statement of the primary objectives and purposes of Trust as a corporation: "To permanently protect and encourage intensive cultivation of agricultural lands in the South Livermore Valley to achieve the goals of the South Livermore Valley Area Plan":

Land acquired by the South Livermore Agricultural Land Trust shall be located within the boundaries of the SLVAP ("SLVAP Land") or on real property in the vicinity of the SLVAP Land whose protection will directly assist in the protection of SLVAP Land, and shall be used solely for agricultural, open space, or habitat mitigation purposes. Land acquisition, in fee or easement, shall seek to 1) preserve lands best suited for agriculture and most threatened by development pressure; 2) develop and maintain a critical mass of agricultural operations in the South Livermore Valley; 3) preserve contiguous tracts of agricultural land of a size large enough to maintain viable commercial agricultural operations; 4) minimize conflicts with non-farm uses; 5) create a permanent boundary urban boundary; and 6) protect critical habitat areas in the South Livermore Valley.
In contrast with other major Northern California land trusts, the Livermore Trust will not be county-wide. Yet it may serve as a working model for a county-wide trust in an area without a history of trusts. The purpose of the Trust is also more geographically defined. This may be advantageous, emphasizing geographic scope and its single-purpose nature. But it was also felt that the Trust should have broad flexibility to negotiate with landowners. The Livermore Trust is focused on the remaining vineyards of Livermore Valley. Steven Kalthoff said: "I don't think any of those trusts are as specific as we are. We're only interested in vineyards and olives."

Nevertheless, it is important to note the evaluation of land trusts conducted by the State Coastal Conservancy. A state-mandated study concludes that "land trusts that have been successful tend to operate in an environment that includes at least some level of local government policy support for agricultural production." This favors county-wide trusts. [California State Coastal Conservancy 1989: 71,72]

"There are advantages to organizing agricultural land trusts on a countywide and county-by-county basis. Within each county there are common agricultural institutions such as farm bureaus, extension grants, and agricultural commissioners and a common set of public policies. Land trusts that are organized on a smaller scale run the risk of finding no responsive landowners and not having a large enough basis of community support."

The Land Trust Steering Committee drafted its "mission and operation statement" and its "articles of incorporation" from language provided by the Trust for Public Lands, a national foundation based in the San Francisco Bay Area. The final draft authorized a Board of Directors consisting of seven (7) representatives of the following categories: [South Livermore Land Trust 1993 ]

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(a) One (1) Director shall be designated by the Alameda County Board of Supervisors.

(b) One (1) Director shall be designated by the Pleasanton City Council.

(c) One (1) Director shall be designated by the Livermore City Council.

(d) One (1) Director shall be designated by the Friends of the Vineyards, an incorporated association, or its successor. If the Friends of the Vineyards fails to designate a director, the Livermore Area Park and Recreation District Board of Directors shall appoint the director.

(e) One (1) Director shall be designated by the Livermore Valley Winegrowers Association, an incorporated association, or its successor. If the Association fails to designate a director, the Alameda County Farm Bureau shall appoint this director.

(f) Two (2) Directors shall be selected by the South Livermore Agricultural Land Trust Steering Committee from the public at large for an initial term. Following the initial term, these two directors shall be elected by a majority of the designated directors (categories a-e) from the public at large. [note: All Directors will be residents of Alameda County]

In the Articles of Incorporation the Trust organized under the Non-profit Public Benefit Corporation Law will have the power and duty to: (1) acquire real property or interests, including conservation easements, in real property within the boundaries of the SLVAP lands; (2) acquire real property or interests in real property in the vicinity of the SLVAP land whose protection will directly assist in the protection of SLVAP; (3) monitor and where appropriate manage directly real property interests; (4) administer real property so acquired for agricultural open space or habitat mitigation purposes in trust for the people of the South Livermore Valley, Alameda County, and the State of California; and
(5) record instruments and take other actions necessary to protect in perpetuity the physical environment of the area; (6) identify real property (or interests) appropriate for acquisition; and (7) accomplish the purposes set forth by the Trust Mission, exercise all rights and powers conferred on nonprofit public benefit corporation under California laws; to rent, buy, sell, and accept donations of real or personal property or any interest therein. {21}

The property of the Corporation is "irrevocably dedicated to charitable purposes"; no part of the net income or assets of the corporation may benefit any director, trustee, member or officer of the corporation or any private person. Only the Land Trust as a tax-exempt corporation under Section 501(3) of the IRS code will be qualified to receive "qualified conservation contributions". The Land Trust corporation is organized exclusively for "charitable, scientific, literary, and educational purposes." [Chart 4.5] {22}

The Alameda County Planning Commission adopted the recommendations of the Steering Committee and decided that the proposed Land Trust will emphasize "land acquisition" and will consist of no elected officials. The Planning Commission unanimously approved the Mission Statement and the other principles of the Trust. The Friends of the Vineyards Land Use Chairperson Barbara Stear summarized: "The land trust is what will make the South Livermore Plan work."

In summary, the South Livermore Valley Agricultural Land Trust, "a private, non-profit corporation," will purchase lands in fee simple or easements more rapidly than any public agency. The non-profit status of the Trust is crucial since it offers potential sellers important tax advantages, which can be used to limit the cost of purchases by the Trust. {23}
Non-profit status can allow a trust to seek other sources, including State, Federal, and foundation grants and loans. The Trust is not obligated to purchase land or easements offered to it, but will require a clear set of criteria for land acquisition. In effect, the Land Trust will operate as a safety mechanism, buying strategic parcels or easements from willing sellers where the proposed Plan's economic interests are not suitable. The Trust would be logical holder of agricultural easements. The committee advised County officials to make haste since the new Ruby Hill project would soon break ground and begin generating mitigation funds. Easements already approved should also be monitored. {24}

Such is the fundamental nature of the trust in relation to the community it serves. Nevertheless, questions remain about how and to what end the Land Trust will serve the local interest. Bill Hoppes, former Director of Appalachian Land Trust and newly appointed member of the Land Trust Board of Directors sees both the benefits and disadvantages: {25}

It (the Land Trust) has a lot of advantages, but it also has disadvantages. Most Land Trusts have no money. It is very fortunate that this Trust will have monies coming in. You also have good will and other benefits. You have to be very creative. But I see the Land Trust here in Livermore as a political construct, put together from the top. It may be in danger of becoming involved in local and county politics. The disadvantages are threefold: how the Trust is formed, a small (geographic) area, and few landowners to work with. A lot of projects will be required; and it's a lot of work. I don't see that the people have a real vision of what the Trust will do... Is it to preserve viticulture, agriculture, or open space in general? One of the real challenges is to define what the Land Trust is all about and what it intends to do. The Board has to come to grips on what to do -- you need to think big and go after it! ... You still need to have the vision. It's not a done deal. Agricultural protection is very hard. If you just have people coming in for 20 acres (estates) it's hard to keep agriculture viable. You tend to lose the farm infrastructure. People tend to lose interest in it.

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Hoppes believes that he and fellow members can bring several assets to the Trust, including experience, creativity and ingenuity. Board members will also contribute their various skills in terms of the following: (1) Evaluation of land criteria for acquisition; (2) Negotiations with landowners for conservation easements; (3) Legal research and consulting; (4) Mapping and photographic record-keeping; and (5) Environmental education outreach; among others. Each member has his or her expertise which is applicable to the development of the Trust in its formative (first two) years.

The entire process will not be easy since the land trust will be working within the market. Making the value of easements a market product is often difficult. Comparables are few and appraisers are often inexperienced in valuating easements. Hoppes observes:

"You very much have to feel your way in the initial transaction. In some cases, easements 'enhance' the value of adjacent lands."

Easements alone are of no real cash value. Their value is in their protection of a vital natural or cultivable resource. To negotiate with the landowner is in reality a tricky process since most appraisers have very little experience in this realm. Therefore, in forming its strategic plan, the Trust will be engaged during its first year of operation working with professional trust managers, learning the history of such land trusts as MALT in Marin County and the Sonoma Open Space and Conservation District (supported by the County). The Trust for Public Land provides a broad range of resources concerning land evaluation and legalities. Their organizational structure provided the blueprint for the Land Trust's articles of incorporation and by-laws. Trust for Public Land and the State Coastal Conservancy can also lend their expertise to the Trust mission and strategic plan.
A Land Trust is organized exclusively for the following purposes:

**CHARITABLE**
Charitable contribution or gift by a Corp. to or for the use of a trust, fund, chest, or foundation [ IRS Code 170 (c) ]
Organization and operation exclusively for charitable, scientific, literary or educational purposes; through foundation fund-raising, corporation philanthropic grants and non-profit sources.

**SCIENTIFIC**
Conservation purpose must be protected, monitored and enforced for the preservation of land for scientific, historic, educational, ecological, recreational, agricultural, scenic or open space opportunities. Among the real property acquisitions are lands of prime farmland designation and need for soil conservation; unique geomorphology, archeology, wetlands and riparian ecology, and habitat protection and restoration.

**LITERARY**
Systematic documentation of stewardship activities; historical maps and record-keeping. Program planning and proposal writing; writing preservation law; photojournalistic projects; books and reports on land use and resource conservation. Advancing scientific literacy in the cause of compiling accurate land records for baseline data forms.

**EDUCATIONAL**
Land Trust conferences, national rallies, workshops and seminars. Public education and publication; informational clearinghouse. Historical and cultural preservation as educational projects in joint coop. with Land Trust services (Land Trust Exchange, National Trust for Historic Preservation. Environmental education outreach; coop with Trust for Public Land, Env. Law Inst., Nature Conservancy.

Chart 4.5 The South Livermore Land Trust as a Public Benefit Non-profit Corporation in the State of California

(Copyright 1994 MFB Graphics)
4.6 Monitoring of Easements and Land Stewardship

Once established, the county monitors a land trust. A Mitigation Monitoring Program requires that a monitoring program be adopted for measures that will mitigate or avoid significant environmental effects. Monitoring is not required for insignificant impacts. The monitoring program addresses significant impacts associated with the South Livermore Valley Area Plan as a project identified in the EIR. Together, the EIR identified 16 impact categories.

The method and extent of monitoring an easement will vary depending on the type of land involved, the specific resource values, and the landowner's attitude as well. The ongoing enforcement of an easement is as important as its initial acquisition. Since the fundamental role of a land trust is land stewardship; it needs practical monitoring guidelines.

The components of the monitoring program may be summarized as

1. Summary of significant impacts identified in the EIR;
2. Mitigation measures recommended for each significant impact;
3. When mitigation measures would need to be implemented;
4. Monitoring requirements for each mitigation measure; and
5. The agency responsible for mitigation measure monitoring.

Environmental effects from Plan implementation are twofold: (1) those associated with rural unincorporated development and agricultural expansion; and (2) those associated with urban development. Alameda County Planning Department is responsible for all impacts resulting from unincorporated development or agricultural expansion. The latter will be limited to the jurisdiction or Pleasanton and/or Livermore. Since the SLVAP-EIR document is complex and comprehensive, it will require the cooperation of city and county in many instances to share responsibility. [County of Alameda 1992:1]
A conservation easement is a contract, the terms of which are legally enforceable. This establishes a monitoring and enforcement right on the part of the holder of the easement interest. The rationale for monitoring includes:

1. A land trust which does not heed careful attention to monitoring and enforcement may not be honoring its own organizational mission;

2. A land trust's credibility and future willingness of landowners to donate additional easements depends in part on the trust perceived as an effective, conscientious land steward;

3. In the event of a legal challenge to an easement, a court may use failure to monitor as grounds for nullifying the easement; and

4. In reviewing deductions taken for easement contributions, the IRS is interested in the trust's intent and ability to monitor easements.

The easement document is the best assurance of enforcement, if it is drafted carefully. As an enforcement tool, the document includes all pertinent criteria: (a) a thorough description of the existing conditions (incorporating aerial photos and maps); (b) a delineation of which party, the land trust or the landowner, has responsibility for managing resources to be protected; (c) an identification of the timing and methods of monitoring; (d) specify "conditions and restrictions" of public access; (e) a provision allowing the land trust to assign the easement to another non-profit or public agency (transfer of ownership); and (f) a provision that legal costs in enforcements be paid by landowner.

The costs of easement monitoring vary greatly and may become a burden to a land trust. While reimbursement for legal costs may be required of the landowner, the costs must be fronted by the trust. [State Coastal Conservancy 1989:109]
Several ways of managing costs can be summarized: (1) the landowner can donate an endowment along with the easement (though it is often negotiable) and which is tax deductible; (2) active land trusts can establish monitoring endowment funds; (3) smaller local land trusts can establish a "cooperative easement monitoring" program. Monitoring costs of easement stewardship can become "a significant burden to an active land trust with a growing portfolio of easements."
[State Coastal Conservancy 1989: 111]

The plan directs the county to work with the land trust to ensure that funds are available to carry out management of open space, one of the main criteria for mitigation funding aside from habitat. Despite any concerns expressed about the county's involvement in the land trust, the county is taking the lead in fostering "interjurisdictional cooperation capable of achieving goals and solving shared problems".
[East County Area Plan-Draft 1993: 1]

In California, a handful of land trusts organized in the early 1980s has grown to some sixty with grass-roots development. Some small land trusts, the Marin Agricultural Land Trust, the Peninsula Open Space Trust, and the Sonoma Land (and Open Space) Trust, for example, now have six-figure operating budgets, multi-million dollar land holdings, and regional operations. Leaders of these trusts credit the State Coastal Conservancy with providing pivotal grants in the development of their organization. This reflects the trend in recent years of land trusts collaborating with public agencies to support land conservation programs. The first state program providing direct grants to nonprofit organizations for land protection was established in 1982 by the California State Coastal Conservancy. This represents the proactive model of land conservation partnerships which has inspired other states to follow its example. [Meyers 1992]
AGRICULTURAL LAND TRUST

STRATEGIC PLAN

LAND PRESERVATION

ENVIRONMENT / OPEN SPACE

CRITERIA LEGALITIES

FINANCING APPRAISAL

DRAFTING AND MONITORING AGRICULTURAL EASEMENTS

Target prime viticultural lands threatened

Maintain Database photo history

Preserve contiguous tracts of land

Track subdivision parcels and lots

Management of open space for scenic corridor

Work with County Plan and zoning

Link tracts of previously protected lands

Preserve "viewshed" of So. Livermore Valley

EVALUATION: First Two Years

ISSUES, EDUCATION, WORKSHOPS

Chart 4.6  Land Trust Strategic Planning and Monitoring

(Copyright 1994  MTB Graphics)
Land trusts are becoming increasingly proactive and expanding their activities: inventorying lands and setting goals and targets for protection. They provide land planning services, even linking up protected lands to form major conservation areas (gateway corridors) along rivers, trails, and highways. Land trusts are working with developers and realtors to improve the quality of development, and even acting as mediators in land use disputes. Other regional trusts such as MALT, Solano, Sonoma, Napa and the Peninsula Open Space Trust show they are working with local governments to advocate better land use planning laws. They are also working with state legislators to obtain funding for open space acquisition. The advantages of local and regional land trusts are to provide alternative mechanisms for land conservation:

"Land trusts can acquire asset land, property that itself is unsuitable for conservation but that can be sold in exchange for more desirable land. A town would find this type of transaction burdensome. A trust may also participate in more direct forms of land management, such as agriculture than can larger national conservation organizations."

The advantages are clear in a local (regional) trust to acquire areas to (1) Conserve resource lands, provide public access; furnish recreational and educational opportunities in meeting local open space needs; and (2) Provide responsible long-term stewardship of resources, and manage land for which other organizations are unwilling to accept responsibility.

As incorporated nonprofit tax-exempt organizations operating in the public interest, the Trust can qualify landowners for income, estate and gift tax savings on qualified donations. They are often exempted from federal and state income taxes, and often from local property and real estate transfer taxes.
A private land trust has distinct advantages over a government agency to conserve resources and open space lands:

(1) Unconstrained by political boundaries, they can preserve a specific area or resource that is contained within more than one jurisdiction;

(2) They can provide greater continuity of concern for a specific resource or site;

(3) They can often acquire land for less than market value;

(4) They enjoy more cooperative working relationships with private landowners;

5) They can achieve land protection goals more economically than agencies.

As an Agricultural Land Trust, in contrast to a General Purpose Land Trust, the proposed South Livermore Valley Agricultural Land Trust (SLVALT) will focus on agriculture and viticulture with long-term techniques. This distinguishes it from the county's main concern with short-term land protection. Five examples are summarized:

A. **Short-term Techniques**: (County-level)
   
   General Plan Policies
   Zoning
   Minimum Parcel Sizes
   Urban Limit Lines
   Williamson Act Contracts

B. **Long-term Techniques**: (Land Trust)
   
   Fee Simple Acquisition
   Bargain Sales
   Conservation Easements
   Purchase of Development Rights
   Transfer of Development Rights
In practice, such techniques often overlap. Bargain sales can be combined with fee simple acquisition or the purchase of easements. While the Land Trust has an advantage in establishing long-term programs, it is also an impediment to new trusts attempting to gain establishment. The South Livermore Trust will not have the benefit of the State Coastal Conservancy funds. Moreover, the techniques of long-term agricultural protection, conservation easements, are new and many landowners do not want to close their options by making a permanent commitment to agricultural use. The SLVALT is focused on an important viticultural resource and the perceived threat of conversion of local agricultural lands to other uses for short-term economic gains.

Once established, the SLVALT will address the questions:

(1) What type of farming predominates?
(2) What is the contribution of agricultural production to the local economy?
(3) What has been the population growth in the past ten years?
(4) What is the rate of agricultural land conversion to non-agricultural uses?
(5) What amount of land is in Williamson Act contract?
(6) Is Williamson Act acreage increasing or decreasing?
(7) Are there strong zoning laws and other regulatory and incentive measures to encourage farming?

Most of these questions can be answered in the case of the Livermore Valley wine region. Based on a study of several major land trusts by the State Conservancy, counties surveyed have a lack of data on the agricultural land base and the rate of conversion to other uses. Yet counties with successful long-term protection programs (San Mateo, Marin, and Sonoma) did not seem to be "measurably different" from Monterey county with unproven success. This implies that effective land trusts can be formed in new counties, such as Alameda. [State Coastal Conservancy 1989:66]
The non-renewal rate of Williamson Act contracts in Livermore Valley has increased in recent years, while urban pressures in the South Livermore Valley still threaten the contiguity of existing vineyards. The SLVALT is concerned a viable wine region cannot survive in the midst of encroaching development. The SLVALT focus is on easements as a long-term solution, instead of maintaining Williamson contracts:

"The Williamson Act cannot offer complete assurance that land will remain in agricultural use permanently. A speculator or farmer can petition the local government to cancel the contract, pay back taxes as a penalty, and then convert. The higher the economic return from alternative developments the more inconsequential the penalties become. Alternatively, landowners can wait for the expiration of the contract and then develop. The Williamson Act has not been effective in targeting prime agricultural lands or lands that are most threatened by conversion to other uses." [State Coastal Conservancy 1989:83]

The Land Trust is the beneficial alternative since it grants conservation easements on agricultural land in perpetuity; with restrictions binding upon successive owners retaining title to fee property. The purchase of development rights and conservation easements limiting property use are often combined and considered the same. However, easements require monitoring to insure compliance, and this obligation binds the owner of an easement in perpetuity. Monitoring and enforcement of easements is a major land trust responsibility; made easier by emphasizing acquisitions in geographic proximity to one another.

The SLVLT should be motivated to have an established land acquisition criteria. This is accomplished by developing a baseline data form which parallels land criteria and uses other data, including soil surveys, land records, etc.
The baseline data form will include: (1) land use plan/zoning ordinance excerpts; (2) a list of title encumbrances; (3) photos (aerial photos); (4) soil survey excerpts; (5) appraisal data; (6) a copy of the proposed easement or other transaction documents. With such a database, the Trust managers can determine the land resource type, significance, and compatibility with public land use policies. The latter is important since federal tax laws require a degree of compatibility to take deductions.

While Trust managers are motivated to maintain an easement for long term, landowners may not be so motivated. Among the principal issues for a land trust fulfilling its stewardship is the other party to the contract may challenge the terms of the easement. One must assume that over time the original force that inspired a landowner to restrict his property will dissipate. [Hoose 1981; See Barrett 1983 and Diehl 1988]

Land stewardship implies that the terms of easements are rigorously observed:

"Although the extent, frequency, and method of monitoring an easement will vary depending upon the type of land involved, the specific resource values, and the attitude of the landowner, in each and every instance the ongoing enforcement of an easement is as important as its initial acquisition." [State Coastal Conservancy 1989: 109]

For these reasons, monitoring and enforcement require systematic and precise documentation. "For legal and practical reasons, it is necessary to maintain a written history of land trust stewardship." Documentation costs can become a burden to an active land trust. Therefore, "the key is for a trust to meet its stewardship costs over its entire portfolio of easements, not necessarily on each individual easement." [State of California 1989:110-111]
Funding, project costs, and timelines are all essential criteria by which to judge the effectiveness of a Land Trust. The State Coastal Conservancy adopted a set of criteria for selecting fundable agricultural projects effective in January 1979: [State Coastal Conservancy 1989B:46]

1. Location on the urban fringe where pressure to develop exists;
2. Economic viability of the project as agriculture;
3. Local government support;
4. Potential willing sellers;
5. Maximum use of local, state, and federal resources;
6. Value as a model (for other potential land trusts).

The State Conservancy also concluded in its case study of land trusts, though based on limited data, that agricultural land trusts seem to be better able to carry out agricultural projects than general purpose land trusts. The role of the State in preserving farmland is also vitally important to all land trust operations which require a model and support for carrying out its mission:

"Despite the inroads of urbanization, California's coastal agricultural land is a resource of international significance. To prevent the further loss of coastal farmland, the Conservancy provides grants to nonprofits and public agencies for innovative farmland protection programs. Such programs may include purchase and consolidation of fragmented farms into large units that can take advantage of economies of scale ... " (and) " ... the Conservancy provides grants to nonprofit organizations and local governments to carry out 'lot consolidation' projects, which include the assembling of parcels or other interests in land and the redesign or reconveyance of such interests. Such projects may correct conditions such as poor lot layout, inadequate park and open space, or scattered ownership patterns."

[State Coastal Conservancy 1989B:p.7]
The SLVALT, Livermore's first Agricultural Land Trust, as any new trust, will have a better chance to be successful, according to the State Conservancy, if it can operate in an environment that includes local government policy support for continued agricultural production. The South Livermore Valley and the County's Area Plan provide both geographical domain and legislative mandate to fulfill these aims. SLVALT will help promote this policy environment in the broadest sense.

In summary, the SLVALT will assume the primary duties of implementing the South Livermore Area Plan "by acquiring properties, through purchase or donation, in fee or easement, in order to achieve the goals of the SLVAP." This is not only a consensus of opinion, it is the legal framework within which the Trust must operate so that conservation easements become a permanent fixture on the landscape. From a practical standpoint, there is no perpetual easement if there is no commitment to enforce the terms of the easement. Monitoring puts the 'muscle' in an easement program. "That easements sometimes are violated is proof that they serve a purpose" provides the legal context.

The benefits of the Land Trust model are significant in many respects: as private organizations, as incorporated nonprofit, tax-exempt entities, and in their role of acquiring and/or accepting interests in land. With community orientation and support, they provide for local initiative in resource protection; maintain the tradition of private landownership; they can increase public awareness and support of resource stewardship responsibility; and they have a direct connection with specific land resources and/or sites. Experienced grantees take precautions to avoid conflict with new landowners on easement-burdened property. The key is to involve the community in the "protective spirit of the easement." [State Coastal Conservancy 1992: 91]
The SLVALT was designed not to be parochial yet not delegated any political role. Yet politics will always be a factor. In some small land trusts, which operate within a small tight-knit community the landowners are often self-policing. Those managing land trusts or transacting easements are supportive of the idea of a quasi-public land trust agency which coordinate policies with the County and have supportive roles in order to initiate a program of agricultural land stewardship. In the SLVALT, the county is in effect the watchdog of the organization. This may also be a burden to county staff. It will become reality by virtue of the County Board of Supervisors. In the spirit of involving the community, the SLVALT will represent a broad-based coalition of vested interests, agricultural as well as environmental, reflecting progressive land use policies intent on preserving open space and other natural amenities. {26}

The South Livermore Valley Agricultural Land Trust incorporated May 15, 1994. As all organizations, it will operate upon a foundation of purposes, objectives, and strategies. Often, however, these are more assumed than formally chartered. This is considered normal for non-profit organizations which most often rely upon voluntary help. Once structured, the nonprofit board of directors has the responsibility of ensuring financial planning. They owe this to the trust and the general public for which it serves. Budgeting and financial control are essential to carrying out the objectives of the trust. The first item of business will be to complete an operating plan (or a needs assessment). It is one of the trust's most important planning documents. In the budgeting process, the trust will address the following needs: program planning, development, and implementation; administration and management; fiscal planning; volunteer management, capital development and acquisition; marketing; training; research; and technical and computer services.
LIVERMORE : PLEASANTON : ALAMEDA COUNTY :
Bill Hoppes : Lois Lutz : John Innes :

FRIENDS OF THE VINEYARDS :
Barbara Stear
[CAC member * ]

LIVERMORE WINEGROWERS ASSOCIATION :
Steve Kalthoff
[CAC member * ]

CITIZEN AT LARGE :
Sharrell Michelloti

CITIZEN AT LARGE :
Valerie Raymond
[CAC member * ]

S.L.V.L.T. LAND TRUST BOARD OF DIRECTORS :

Alameda Co.
Board of Supervisors ===> "STRATEGIC PLAN" ===> County oversees
Land Trust
Mission • Goals • Objectives • Acquisition criteria • Monitoring

*CAC member = Citizens Advisory Committee of City of Livermore

Chart 4.7 South Livermore Land Trust: Organization { 27 }
ARTICLES OF INCORPORATION
OF THE
SOUTH LIVERMORE VALLEY AGRICULTURAL LAND TRUST

I

The name of this corporation is the South Livermore Valley Agricultural Land Trust.

II

A. This organization is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

B. The specific purposes for which this Corporation is organized include, but are not limited to, the permanent protection and encouragement of intensive cultivation of agricultural lands in the South Livermore Valley, in accordance with the goals of the South Livermore Valley Area Plan ("SLVAP"), adopted by the Alameda County Board of Supervisors on February 23, 1993.

C. Subject to the limitations in these Articles of Incorporation, the Corporation shall have the power and duty to: (1) acquire real property or interests, including conservation easements as defined in California Civil Code section 815.2, in real property within the boundaries of the SLVAP ("SLVAP Lands"); (2) acquire real property or interests in real property in the vicinity of SLVAP Lands whose protection will directly assist in the protection of SLVAP Lands; (3) monitor, and where appropriate manage directly, real property or interests in real property so acquired for agricultural, open space, or habitat mitigation purposes in trust for the people of the South Livermore Valley, the people of Alameda County, and the people of the State of California in a manner consistent with the protection of private property rights, and consistent with applicable laws and regulations of all governing jurisdictions; (4) record instruments and take other actions necessary to protect in perpetuity the physical environment of the area for cultivated agriculture, wildlife, and ecological and aesthetic purposes beneficial to the public interest; (5) identify real property or interests in real property appropriate for acquisition; and (6) to the extent necessary to accomplish the purposes set forth above, exercise all rights and powers conferred on nonprofit public benefit corporations under the laws of California, including the power to contract, to rent, buy, sell, and accept donations of real or personal property or any interest therein. Any conveyance of real property or interest in real property held by the Corporation shall be subject to restrictions ensuring that such real property is used solely for agricultural, open space, or habitat mitigation purposes and may not be sold or otherwise transferred for any other purpose; any such conveyance shall provide that the Corporation retains the right to enforce such restrictions and take measures necessary to abate impermissible uses. For properties owned by, or subject to a conservation easement held by, the Corporation, homesites created pursuant to the density bonus program described in the SLVAP adopted on February 23, 1993, may be sold or otherwise transferred consistent with the provisions and restrictions set forth in the SLVAP.

D. Through acquisition of real property or interests in real property the Corporation shall seek to: (1) preserve lands best suited for agriculture and most threatened by development pressure; (2) develop and maintain a critical mass of agricultural operations in the South Livermore Valley; (3) preserve contiguous tracts of agricultural land of a size large enough to maintain viable commercial agricultural operations; (4) minimize conflicts with non-farm uses; (5) create a permanent urban boundary; and (6) protect critical habitat areas in the South Livermore Valley.

E. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the charitable and public purposes described in its Articles of Incorporation. Funds of the Corporation shall be expended only for the purposes specified in these Articles of Incorporation. Funds of the Corporation may not be used to compensate any person or organization for time spent on work unrelated to administration of the Corporation. Real property or interests in real property acquired by the Corporation shall be used solely for agricultural, open space, or habitat mitigation purposes and may not be sold or otherwise transferred for any other purpose.
BYLAWS
OF THE
SOUTH LIVERMORE VALLEY AGRICULTURAL LAND TRUST
a California Nonprofit Public Benefit Corporation

ARTICLE I
NAME OF CORPORATION
The name of this Corporation is the South Livermore Valley Agricultural Land Trust.

ARTICLE II
OFFICES
The principal office for the transaction of the business of the Corporation shall be located within the Livermore-Amador Valley, County of Alameda, California.

ARTICLE III
OBJECTIVES AND PURPOSES

SECTION 3.1 General Purposes
This Corporation is organized under the Nonprofit Public Benefit Corporation Law of California exclusively for charitable, scientific, and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code (or any successor provision thereto), and it shall be nonprofit and nonpartisan.

SECTION 3.2 Specific Purposes and Powers
Within the context of the foregoing general purposes, the specific and primary purpose of the Corporation is to permanently protect and encourage the intensive cultivation of agricultural lands in the South Livermore Valley, in accordance with the goals of the South Livermore Valley Area Plan ("SLVAP") adopted by the Alameda County Board of Supervisors on February 23, 1993.

Subject to the limitations in Section 3.3 of this Article III, the Corporation shall have the power and duty to (1) acquire real property or interests, including conservation easements as defined in California Civil Code section 815.2, in real property within the boundaries of the SLVAP ("SLVAP Lands"); (2) acquire real property or interests in real property in the vicinity of SLVAP Lands whose protection will directly assist in the protection of SLVAP Lands; (3) monitor, and where appropriate manage directly, real property or interests in real property so acquired for agricultural, open space, or habitat mitigation purposes in trust for the people of the South Livermore Valley, the people of Alameda County, and the people of the State of California in a manner consistent with the protection of private property rights, and consistent with applicable laws and regulations of all governing jurisdictions; (4) record instruments and take other actions necessary to protect in perpetuity the physical environment of the area for cultivated agriculture, wildlife, and ecological and aesthetic purposes beneficial to the public interest; (5) identify real property or interests in real property appropriate for acquisition; and (6) any action necessary to accomplish the purposes set forth above, exercise all rights and powers conferred on nonprofit public benefit corporations under the laws of California, including the power to contract, to rent, buy, sell, and accept donations of real or personal property or any interest therein.

Through acquisition of real property or interests in real property the Corporation shall seek to (1) preserve lands best suited for agriculture and most threatened by development pressure; (2) develop and maintain a critical mass of agricultural operations in the South Livermore Valley; (3) preserve contiguous tracts of agricultural land of a size large enough to maintain viable commercial agricultural operations; (4) minimize conflicts with non-farm uses; (5) create a permanent urban boundary; and (6) protect critical habitat areas in the South Livermore Valley.

SECTION 3.3 Limitations
No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office, provided, however, that notwithstanding the foregoing the Corporation may appear in administrative, legislative, and judicial proceedings relating to revenue sources or to real property owned by or under contract for acquisition by, for, or at the request of the Corporation. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the charitable and public purposes described in its Articles of Incorporation.

Document 4.2 S.L.V.A.L.T. By-Laws (29){30} - 258 -
Plate 4.1 Vineyards off Tesla Rd.

Plate 4.2 Southwest off Wetmore Rd.

Plate 4.3 Southwest Livermore Valley - South Diablo Ridge

Plates 4.1–4.3 Candidate Areas for Land Trust and Open Space Protection
CHAPTER FIVE: FUTURE OF LIVERMORE VALLEY AS A WINE REGION

The Alameda County Supervisors formally adopted the "South Livermore Valley Area Plan", which will affect all future land use planning policies in the Livermore-Amador Valley Planning Unit on February 23, 1993. "The Plan strikes a balance between preserving and enhancing the rural agricultural character of the Plan Area and providing economic incentives to accomplish this goal." Area Plan policies amend the "Livermore Amador Valley Planning Unit" of the Alameda County General Plan [1993 Revised] The cities of Livermore and Pleasanton will be actively encouraged "to adopt relevant policies of the Plan as amendments to their respective General Plans." Area Plan goals and objectives are summarized: [ County of Alameda 1993:2 ].

Outline 5.1 Summary of Area Plan Goals and Objectives: Final Resolution

1. **GOAL**: Take a proactive approach to protect, enhance, and increase viticulture;
   1A **OBJECTIVE**: Expand cultivated acreage from the current 1200 Acres to the maximum acreage possible (with a minimum acceptable level of 5000 Acres.)

2. **GOAL**: Direct development away from productive and potentially productive agricultural land and minimize development on existing vineyards.
   2A **OBJECTIVE**: Prohibit additional development unless it will directly further Plan policies to expand and enhance cultivated agriculture.
   2B **OBJECTIVE**: Limit further urbanization within Plan Area to areas under City jurisdiction.

3. **GOAL**: Preserve area's unique rural and scenic qualities.
   3A **OBJECTIVE**: Formation of a Land Trust to permanently protect productive and potentially productive cultivable agricultural lands.

4. **GOAL**: Coordinate land use plans between Alameda County, Livermore and Pleasanton.
   4A **OBJECTIVE**: Create permanent boundary (open space) between Livermore and Pleasanton.

5. **GOAL**: Promote South Livermore Valley as a unique and historic wine region.
   5A **OBJECTIVE**: Develop additional wineries and other wine-country uses that promote the valley a wine-producing area.
5.1 Goals and Projections for the Future of Viticulture

The goals and objectives of the South Livermore Plan will be formulated through the coordination of land use plans made workable and enforceable through the proposed Land Trust. The Trust will operate as an autonomous non-profit corporation and be able to acquire land or easements based on standards and priorities demonstrated by these considerations:

1. Develop a critical mass to sustain agricultural operations;
2. Preserve land best suited for agricultural land;
3. Preserve contiguous tracts of agricultural land;
4. Create a permanent urban boundary;
5. Minimize conflicts with non-farm uses;
6. Protect critical habitat areas.

Supported by a detailed economic analysis, an exhaustive EIR, and scrutinized by cities, citizen groups, landowners, viticulturists and environmental organizations, this consensus plan developed from extensive public debate to gain a unanimous vote by County Supervisors. The emphasis is on proactive policy-making and citizen involvement in the entire planning process. As adopted the Plan defines the geographical scope and legal standards which have evolved within the context of geographic space and within the confines of legal jurisdictions. The mandated goals and objectives serve to enforce the Plan as a legal instrument for all future land use planning processes which will define a legal geography for the Livermore Valley.

Therefore, the Plan defines the Livermore wine-growing region in terms of geographic space and strengthens its appellation, a geographically unique and historically significant region that now has a logical plan for reactivating the vineyards conditional on development mitigation. The plan sets a new historical time-line preserving the past, but it also cuts ties with past policy or the lack thereof.
The plan presents a permanent alternative to limited Williamson Act contracts on lands subject to urban pressures and farmland conversion at an increasing rate in the Greater San Francisco Bay Area Region. It is a balanced plan for regional development. Supervisor Ed Campbell of the Alameda County Board of Supervisors, the pioneering political force behind the South Livermore Valley Plan, said: {1}

"This Plan is one of a kind in the state of California. There's nothing else like it."

Such is echoed by the Friends of the Vineyards who have supported the Plan from its inception with critical recommendations and a review. {2}

"After more than a decade of efforts, we feel we have achieved our goal with the adoption of the South Livermore Area Plan. The Plan creates a 'first' in agricultural planning for such a large area -- allowing some development but protecting the majority of the land and encouraging viticulture."

Phil Wente, Executive Vice President of Wente Bros.Winery praises the plan: {3}

"(the) SLVAP is an extraordinary achievement in regional land planning. One of the key criteria in passing judgement on this plan is its ability to foster excitement and create momentum that carries the plan forward on its own merits without needing constant reassurance. Judging from the continued interest the plan has generated since its adoption, I would say it is a complete success!"

Wente Bros.Winery reaffirms a future for the wine industry in a region which has long taken a backseat to the Napa Valley. It took long-term commitment, political will and capital to forge the plan, but can it be made workable and permanent? There is broad-based support for the Area Plan, but it is not the only County-drafted Plan in the works.
The Director of the Greenbelt Alliance, expresses doubts in light of the new East County Plan (Draft 1993):

"It's going to come down to political will ... The only way for Livermore Valley to flourish as a wine region is to have controls ... good land use planning. Livermore Valley will not be world reknown if the proposed East County Plan is implemented, which means that another 15,000 acres will be urbanized. In effect, the Livermore Valley will be urbanized on three sides ... you cannot have a viable wine region under these conditions."

Another requirement for a viable wine-growing region is an economic base. In recent months, negative impacts upon the wine industry have ranged from a surplus of premium grapes to renewed phylloxera infestation spreading throughout major viticultural areas. In fact, the market for cabernet sauvignon, collapsed as the 1993 harvest began. This was inevitable in an economy recovering from recession while wineries have continued to produce more premium brands. Societal values have affected the wine industry; with prospects of increased taxes affecting the wine economy.

According to the Wine Institute, some 300 wineries have opened in California since 1988. In Napa County alone are 250. It is doubtful Napa Valley and the State of California can support more. Others fear that many prime vineyard areas are at risk to urbanization owing to the economic problems such as inflated land costs and high taxes. Prime viticultural areas are at risk of sale to real estate interests and may be urbanized for the purpose of adding to the tax revenues of the local jurisdictions. Meanwhile, the California wine industry is relatively healthy, although the surplus of grapes and the costs of planting new vineyards owing to phylloxera have forced new appraisal in changing times; now intensified by increasing urban demands for land.
The economics of wine-making demand long-range investment, which many banks are unwilling to loan. It takes several years to see a return on investments. Smaller vineyard operations may sell to development interests, constructing more dwellings encroaching on vineyard lands, raising new concerns in the Livermore Valley.

The viticulturists want to maintain their livelihood and the planners are obliged to maintain land use integrity in the wine country. It took five years of concerted efforts to formulate an Area Plan which addresses all the issues facing the wine industry and viticulture, not to protect the industry, but to preserve the region. Once done, coordinated efforts will be required of jurisdictions and vested interests to fashion an investment plan to revitalize the Livermore wine region. Preserving it by statute will not guarantee its viability. Land use controls will not protect land values. This explains the effort invested in formulating the Land Trust, which will become a permanent legal fixture on the viticultural landscape. Only when the Land Trust is legitimizied will Livermore Valley's future become protected.

The South Livermore Land Trust gains funding from development fees, which depend on a growing regional economy attracted to the Livermore wine country. The County has approved a major attraction to the wine country, to be advertised by Gateways and scenic corridors complimenting the look of a preeminent wine region. Outside investment will be necessary to effect the policy. The President of the Livermore Winegrowers Association observes: {5}

"Our primary focus in attracting new large wineries to the SLVAP area is the International area with particular emphasis in the European arena. One or two well known French, Italian, or German winemakers would be very welcome and add significantly to our reputation."
The prospects for international investment in the Livermore Valley may be unknown until the Land Trust has generated funds to acquire additional land for new vineyard plantings. The wine industry and the local economic environment must have opportunities for expansion on potentially cultivable lands. While the Trust will generate considerable sums of money, land costs in Livermore have risen substantially in recent years, in response to the market for urban development surrounding the cities of Livermore and Pleasanton. Working in the market, the Trust can buy those lands deemed important to viticulture before inflated values become prohibitive.

The ultimate success of the South Livermore Valley Area Plan will depend on ongoing coordination and cooperation between Alameda County, Livermore, Pleasanton, landowners and citizen groups. The Land Trust is central to all such efforts, and will focus on the unique opportunity of this wine region, as stated in the official resolution. [Alameda County 1993:8]

"... to show that a century-old agricultural tradition can continue to thrive adjacent to an emerging 'edge city'. Working together, these groups can ensure that the South Livermore Valley regains its historic role as an internationally recognized premium wine-producing region."

The Plan is also intended to provide a pleasant, attractive and easily accessible wine-producing region close to the population centers of the greater Bay Area. Amenities are considered just as important as economic factors in stimulating the economy. While international investors will be encouraged, the greater emphasis now is attracting local vinters to the area. In fact, there is already hope that new wineries can be established even ahead of schedule. As of June 1994, Livermore Valley can claim its fifteenth winery locating here. Still, it is hoped that they can compete not only with other wine grapes but other cultivated produce.
<table>
<thead>
<tr>
<th>CROP</th>
<th>YEAR</th>
<th>Bearing Acreage</th>
<th>Per Acre</th>
<th>Total</th>
<th>Unit</th>
<th>Total value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wine Grapes (Red)</td>
<td>1991</td>
<td>384</td>
<td>3.138</td>
<td>1,205</td>
<td>Ton</td>
<td>$ 955,000</td>
</tr>
<tr>
<td></td>
<td>1992</td>
<td>401</td>
<td>3.175</td>
<td>1,273</td>
<td>-</td>
<td>1,121,000</td>
</tr>
<tr>
<td></td>
<td>1993</td>
<td>426</td>
<td>2.481</td>
<td>1,057</td>
<td>-</td>
<td>833,000</td>
</tr>
<tr>
<td>Wine Grapes (White)</td>
<td>1991</td>
<td>902</td>
<td>4.139</td>
<td>3,733</td>
<td>-</td>
<td>3,327,000</td>
</tr>
<tr>
<td></td>
<td>1992</td>
<td>1,130</td>
<td>3.323</td>
<td>3,755</td>
<td>-</td>
<td>3,353,000</td>
</tr>
<tr>
<td></td>
<td>1993</td>
<td>1,146</td>
<td>2.784</td>
<td>3,191</td>
<td>-</td>
<td>2,793,000</td>
</tr>
</tbody>
</table>


Wine grapes do not compare favorably with specialty crops as nursery cut flowers, which grossed $14,751,000 in 1992. Other nursery products earned almost $19 million. A comparison shows the total fruit and nut crop has changed considerably from a low of $1,722,000 in 1988 to a high of $5,732,000 in 1989. There has been little change in value in recent years, in part owing to the surplus of grapes in other markets.

Livermore Valley vintners can learn from the recent history of the Napa Valley and take heed of the new pest problems while investing in new vineyards. New strategies in rootstock matching and intensive vineyard management will result in increased yields per acre and more abundant output on less land. This will be to the benefit of supporting the smaller vintner, who nowadays must not only be a credible winemaker but also a good businessman. Markets now wield greater influence in determining the final product and market share. "The industry is in a state of flux ... the market seems to run the industry" declares a Napa County planner. {6}

According to wine industry analysts, 1993 was "a good year for the premium wine business." Based on a wine business survey of over 200 California premium wineries, 62 per cent of the wineries improved their profits in 1993. [Chart 5.1] The survey reflects "many successful high-end boutiques" and that "the small winery is alive and well in the higher price categories." [Motto, Kryla & Fisher 1994:VI:I:1] In summary:

"The wine industry is maturing, and becoming more sophisticated and competitive. Many say that in some quarters, wine is becoming more of a mainstream consumer product. If it weren't for government restraint of trade, the industry would probably be even bigger. The increased emphasis on stronger marketing and sales is working to overcome this. The California premium wine industry is alive and kicking, with good prospects for the future." [MKF 1994:VI:I:4]

The survey also notes that "polarization" of the industry continues, with many mid-size wineries struggling because they are the wrong size for their market segment. Nevertheless, every year the viability of the premium wine business has improved. Anxiety about phylloxera has waned, as replanting continues (note: survey results show the rank of phylloxera as a business issue dropped from number 2 in 1993 to number 5 in 1994). Meanwhile, concerns remain about the available grape supply and financing for vine replanting.

Wine business survey results bolster the prospects for Livermore's premium wines, as the SLVAP Plan and Land Trust expedite new vineyard acquisitions. Wily Joslin, winemaker for Wente Bros. Winery, which makes 90 per cent of the wine in Livermore Valley, believes that it will all work: {7}

"I think that 20-acre estates are a good means to reinvigorate the Livermore Wine region as an appellation. Infrastructure will subsidize farming ... it makes sense for economic reasons. I hope we become a model for urban-agriculture interfaces, if you want to live in the wine country ..."
Meanwhile, the export potential for California premium wine continues to grow (at an annual rate of 23 per cent in 1992). Yet there remains "tremendous untapped potential" according to industry analysts, who believe that California wineries need to develop a much more proactive approach to exporting:

"The growing reputation and acceptance of premium California wines, the still positive international image of California, and the expected increasing internationalization of business and pleasure travel will all contribute positively to future growth" [MKF Wine Industry Update Winter 1993:1]

Success will require an attitude that the California winery is committed to export, concludes the wine industry analysts. In fact, the main competition worldwide is not California, but the wines from a vast array of wine-producing countries. Less than 10 per cent of California wine is exported; at a time when the state is still in a recession and fewer customers are willing pay $15 per bottle of premium wine.

![Chart 5.1 California Premium Wine Trends 1992-1993](Reproduced with permission of MKF Wine Industry Accountants and Consultants)
5.2 Ruby Hill: A Model of Mitigated Environmental Planning

The Ruby Hill project, a multiple use, multi-phase development broke ground in August 1993. It is a joint venture of Signature Properties, home builders, and Nicklaus/Sierra Development Corp., world-wide designer and builder of golf courses. The project will be built over five to ten years and will include a master-planned residential community of executive homes, golf course, golf club, vineyards, wineries, private open space and a convenience retail center. The Project is intended to be a "planned approach to development" and "eliminate the effects of environmental hazards, and promote conservation of resources and agriculture/open space land." [EIP Associates 1989: 11]

Planned development requires compliance with the 1977 Livermore-Amador Valley Planning Unit General Plan, which calls for: (1) all urban development within incorporated areas; (2) discouragement of special districts that provide services to urban development and do not have the authority to plan land use in order to discourage sprawl, fragmented development, and fragmented governmental control of service and planning; and (3) utilization of existing governmental units and public works units for maximum efficiency.

Ruby Hill will be within the Pleasanton jurisdiction. There are a number of alternative plans to the development either for less development or more. In comparison with sites of similar size, within the South Livermore Valley Study Area the proposed site offers a number of advantages. Access to the project from a rerouted extension (Route 84) will be a major benefit. In addition, most of the site is relatively level to gently sloping terrain; this condition will preclude extensive grading and consequently reduce visual impacts due to reduced terrain modification.
Of major importance, the site contains significant vineyard acreage which will be retained and/or restored as part of the project’s Master Plan. The only other comparable sites are parcels under the Williamson Act further from services.

To recall, the CEQA guidelines state the relationship between the local short-term uses of the environment and the maintenance and enhancement of long-term productivity must be discussed for major proposed projects. This should include the cumulative and long-term adverse effects to the environment. Special attention should be given to impacts which narrow the beneficial uses of the environment. Ruby Hill will have long-term environmental effects through the replacement of agricultural and grazing land with a golf course and up to 850 dwellings. Its long-term effect will increase the population and its service needs in the Valley; such development will increase the employment base.

Benefits are economic revitalization without removing a significant portion of historic vineyard lands. Traditional land uses will be continued with the renovation of the historic Fenestra Winery and the restoration of the Ruby Hill Winery to its original specifications; both moves designed to encourage viticulture. "Maintaining this agricultural use, both functionally and in image, is the cornerstone of the overall program to restore the area as a viable wine-producing region." [ EIP Associates 1989: 14 ]

Ruby Hill, a planned community, has a landscape master plan which requires minimal terrain modifications to be done in phases. Three landscape plans will be integral to the planned golf course: Valley agricultural; Canyon; and, Foothill. [ Figures 5.2, 5.3, and 5.4 ]
In terms of the Ruby Hill development, the infrastructure, golf course, vineyard, open space, and road right-of-ways will be completed by Signature Properties/Sierra Development. Other landscape improvements will be completed by private homeowners governed by a set of landscape guidelines incorporated in the Ruby Hill "Covenants, Conditions, and Restrictions" (CC&Rs). The Ruby Hill project is to be completed in ten years. It will be built in three stages with minimum impact on the environment. The Developer agrees to pay for restoration of some habitat areas. [Figure 5.4]

"Gently rolling hills, panoramic vistas of historic vineyards, abundant native oaks, lakes and natural stream beds create the setting for Ruby Hill" and together with a world class golf course will make Ruby Hill one of the finest residential and recreational communities in the country. according to the Ruby Hill Architectural Design Guidelines [1994:3]. Homes will be nestled into the foothills overlooking about 900 acres of vineyards, boutique wineries, bed and breakfast inns, and wine country estates.

The Ruby Hill developer is committed to sustaining viticulture as well as architectural styles which reflect the prominent role of the Ruby Hill property in the history of the Livermore Valley wine region. Traditional styles that are prevalent in the warm weather wine regions of Europe are preferred: English Country, French Country, Mediterranean, and Italian Villa. In its aim to restore an historic winery, Ruby Hill, the developer is also recreating a viticultural landscape inspired by a vineyard village in Europe. A hundred years after Ruby Hill was proclaimed as one of the finest examples of winery architecture, the new Ruby Hill will feature the notable architectural styles of Europe with vineyard estates. History and tradition are accented while rigorous environmental site design guidelines are enforced.
**Figure 5.1** RUBY HILL Development "Build Out"

(Reproduced with permission of EIP Associates)
Figure 5.2    RUBY HILL PROJECT - Landscape Master Plan
(Reproduced with permission of Signature Properties)
Figure 5.3  Ruby Hill Gatehouse, Clubhouse and Vineyard Views
(Reproduced with permission of Signature Properties)
Figure 5.4 Architectural Renderings of Ruby Hill Villas (Vineyard Estates)
(Reproduced with permission of Signature Properties)
Plates 5.1 - 5.2  Historic Entrance to Ruby Hill and Site Environs

(New landscaping and construction-July 1994)
Plates 5.3 - 5.4  Ruby Hill Gatehouse and New Vineyard Landscaping
(July 1994)

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5.3 Educational and Cultural Enhancement of a Wine Region:

The South Livermore Valley Plan has strict guidelines on future development in the area, but is intent on specific development to increase the recognition as a premium wine-producing region. This would include at least one major attraction, such as a wine institute, research center, conference center, wine museum, cultural arts center or a resort hotel. Since its inception, Friends of the Vineyards have advocated and campaigned for a Livermore Valley Wine Museum. They envision the museum near historic Ravenswood, which can also serve as a Visitors Center. [Figure 5.5]

The County holds special consideration be given to a Wine Country Center. Such would be a focal point for visitors to the region by combining one or more major attractions with ancillary retail uses such as restaurants, art galleries, shops, bicycle rentals, delis, or complementary small-scale uses. The emphasis is small-scale enterprises. Ancillary retail uses would be limited, and carefully considered to complement Downtown Livermore businesses. Development will be conditional to mitigation fees. Retail uses and for-profit major attractions should pay an agricultural mitigation fee of $2.50 per square foot. In the Preliminary Draft of the SLVAP the concept of a Wine Center located near historic Ravenswood Park would contain tasting rooms, gift shops, restaurants, an inn, conference center, and retail outlets oriented to wine country trade. While the wine center might be seen as imposing additional development on the viticultural landscape, it will also promote the wine country image. Livermore has many historic sites of interest, but it still lacks a focal point. The wine center would serve as main attraction, advertising the Livermore valley as wine country and generating economic potential to benefit the region. [Alameda County 1993] [Figure 5.6]
Development, of course, would be conditional, including wineries and bed-and-breakfast facilities. Development fees will be contributed to the Trust in order to fulfill the ultimate objectives of the Plan: to balance development with the preservation of viticulture and wine-making while promoting tourism. A Vineyard Factory Outlet Center was publicized recently in support of the wine business and enhancing the local wineries without competing with their wine trade. Such an outlet might help to advertise annual celebrations, especially the Livermore Winegrowers annual Harvest Wine Celebration.

Vineyard Trails has emphasized development within the Plan Area with a comprehensive plan of parks and recreational facilities such as: (1) A wine country center to promote tourism and the enjoyment of the area; emphasizing the quality of life and rural character of the Livermore valley; (2) A comprehensive class I trail system joining regional parks and other areas of interest; to promote circulation in the area without auto traffic; (3) A review of other potential amenities for the area, including a museum of local history, wine museum, golf course, music center, and other points of interest to visitors. [Vineyard Trails 1992:2]

The Friends of the Vineyards emphasized the careful planning of the entrances to the wine country, namely the Gateway and Transitional Areas. Vineyards and wine country amenities should predominate. The rural character must be preserved and left undegraded by intrusions such as high density housing. The proposed wine center would be appropriate as part of a Gateway entrance into the wine country, without being just another development project. Locals and visitors could enjoy "pick-your-own" fruit farms as part of the recreational experiences and educational values of the rural environment as they enter the Gateways and Transitional Areas.
Figure 5.5
Architectural Rendering of the Proposed Livermore Wine Museum/Visitors Center (Courtesy of Barbara Stear, Friends of the Vineyards)
While development fees may pay for some of the proposed amenities, questions persist. The Fertile Crescent Coalition has questioned how the SLVLT is to allocate funds for land purchases versus administrative costs, loans, and tourism promotion, etcetera. How to accommodate traffic in the vicinity without distracting from the wine country image needs to be considered. One of the County's mitigation measures calls for consultation with BART to study the feasibility of providing transit service between the proposed wine center and the nearest BART station; as part of the overall approval process for the wine center.

The proposed Wine Country Center will facilitate the Plan goals as well as stimulate appropriate tourist development and services with local commercial establishments. Tourism would add to Livermore's economy and encourage investment opportunities. The fact industrial parks are drawn to the suburbs where workers live will enhance the image and vitality of the Livermore Valley as a desirable location near major crossroads. New residents and visitors will create a demand for increased recreational and cultural facilities. A Wine Center would provide such a focus.

Local citizen groups, such as Friends of the Vineyards and the Fertile Crescent Coalition, demand educational resources and services relating to wine country interests. They have added to the Plan for promoting the unique qualities of the local viticultural history and environmental attributes. The Wine Museum has been tied to other projects, such as a wine conference center and other public uses. Another proposal to complement the Wine Museum is to build an Agricultural Education Center, intended to educate the public and attract tourists to farming in the Livermore Valley, still a viable way of life here and in the interests of public education.
Together with other wine-country amenities, a day or a weekend spent in the Livermore Valley would stimulate renewed interest in the area and what it has to offer, all within a one hour drive of San Francisco and the greater Bay Area.

Figure 5.6  Concept Plan for a Wine Country Center  
(Courtesy of David Gates, Planning Consultant)
5.4 A New California Wine Country: Fertile Crescent Rebirth

The Livermore Valley has had a long history and reputation for high quality grape production, yet it remains somewhat less known as a wine region of merit to many Californians. Many visitors lack a coherent image of the region, yet may acknowledge the distinct quality of Livermore wines. A noted wine expert has acknowledged Livermore must strive to define a separate image from Napa and other major winemakers: {8}

"When the producers of wine have a good understanding of the history and the heritage of what they have produced, they can strive for great wines ... In the 1960s, Livermore Valley was perceived to be a little too warm for certain grape varieties. Yet records going back a hundred years attest to a wide variety of grapes planted in a variety of micro-climates. ... Livermore Valley still has a great potential to make greater wines -- the only thing holding it back is the (current) demand for wines and the fact that most of the wineries are underfunded. The problem is that Livermore does not have the panache of being in the forefront. ... It is one of the finest unknown wine growing regions in the state of California."

This wine expert believes Livermore should develop a "niche markets" in the $7-$9 per bottle price range: {9}

"The future of this industry is in specialty products and creative pricing. The next time you get a free acre in your vineyards, try planting some Grenache ... niche markets provide more opportunity."

The rationale for developing niche markets would seem to fit in naturally to the Livermore Valley. The projected goal of 5000 acres in grapevines is a real economic advantage at a time when other premium grape-growing regions are overproducing the dominant varietals, Chardonnay, Cabernet Sauvignon, Merlot, Sauvignon Blanc; and Zinfandel. Grenache is not new but was also historically grown in plentiful amounts in the developing Livermore Valley wine region.
The Livermore Valley has an opportunity to distinguish itself as a wine region in two basic ways: (1) convince local wineries to work together in concert to promote specific varietals; and (2) invest in making wines from new and different varietals.

Local winemakers are embracing the creation of new blends, which seem to be popular among wine drinkers who have tired of Chardonnay or White Zinfandel, among the best selling for a decade. Thomas Coyne, a local winemaker, believes the Livermore Valley has excellent potential to grow grapes from the Rhone region of France. He adopts the practical value of growing lesser known varietals. He now plans to establish the Thomas Coyne Winery at the historic Chateau Bellevue, which he believes is the perfect home for his new winery.

I am hopeful that at some time in the near future, as vineyards expand again in the South Livermore area, there will be more plantings of some of the minor varietals like Mourvedre, Sirah, Grenache, and Carignane.

Coyne will be producing Rhone-style wines; his red wines have been medal winners throughout the state, with over 35 awards in three years. Major producers have a problem with the niche concept. The President of Wente Bros. has not adopted it.

For a small winery that is trying to establish itself, pursuing niche varietals can be good. But consider the fact that more Chardonnay is sold than any other white wine. It's fairly clear you need to fish where the fish are.

Wente knows Livermore's fine reputation for Sauvignon Blanc and Semillon, but its Chardonnay has been receiving increased recognition. This may provide opportunity to create more unique blends attributable to both soil and climate factors with a Livermore Valley taste.
Now owned by Wente Bros., Concannon Vineyards, one of the historic premium vineyards, has long had a reputation for its Petite Sirah, which accounts for 30-40 per cent of its wine production. According to winemaker Tom Lane, the winery needs to make other high quality varietals too. He has been producing his own Semillon (originally bottled as Sauterne) for a couple of years; a lesser known varietal grape than Chardonnay. {12}

Fenestra Winery also produces Semillon from its hundred year old vineyards. Though Semillon lacks overall consumer acceptance, compared with Chardonnay or the Cabernet wines, it still maintains a niche in Livermore. Another local vinter, Ivan Tamas, makes the only Trebbiano marketed in the U.S. He is currently attempting to develop a niche market for this lesser known white wine, like the French Ugni Blanc".

In view of the many challenges facing the California wine industry, from changing consumer tastes to disease infestation and the expense of growing new vineyards Livermore Valley may become fertile ground for creating new experimental vineyards to test new varietals and new rootstock matching strategies, affording newly planned vineyards both disease and drought resistance. It may be possible to delegate a small part of the mitigation fees to the Land Trust to be used for establishing viticultural experimental plots, in association with an academic research center, such as at the University of California, Davis and even Lawrence Livermore National Laboratory. Experiments done at UC Davis demonstrate what took centuries of trial and error in the French vineyards: the relationship between soil fertility, vine spacing, vine vigor, leaf area, and exposure, and yield of grapes. These studies will benefit new vineyard techniques and wine technology. [Chart 5.2; 5.3] {13}
"If some of these variables are changed, it may be ... possible to achieve higher yields at similar quality" observed one geographer, comparing French and California viticulture. [Moran 1993:703]
CHART 5.3 Niche Markets and New Vineyard Management Techniques
In all wine regions, the physical environmental attributes of a defined territory (appellation) are a convenient means of enhancing the regional identity. While it is known that the physical environment influences the vine and its production, the causal mechanism connecting it to wine quality still must be established. They are real, but are not readily defined in an appellation territory. "The territory becomes the explanation." [Moran 1993:715] In California, more knowledge of local environmental characteristics has witnessed some varieties becoming more important in particular localities. An example is Cabernet Sauvignon in the Napa Valley. But a problem in regional identity is also apparent. For instance, the Los Carneros region overlaps both Napa and Sonoma Valleys. All three are within the North Coast viticultural area (AVA).

Livermore Valley has the advantage of being geographically distinctive in its viticultural appellation, without overlapping regions. Even in the age of modern wine technology, the geographical influence here remains strong. In the U.S. the criteria used to establish the authenticity of a viticultural area include nothing on the wine itself, but relies on evidence of "a geographic nature (climate, elevation, soil, physical features, rainfall) which distinguishes the viticultures of the proposed area as similar within and dissimilar from the surrounding areas." [Hutchinson and Gay 1981] This definition applies "environmentally deterministic assumptions" that have developed in the French industry. They are also important to Livermore's reputation, which intends to produce distinctive wines as well. In effect, Livermore's vintners still aspire to "a philosophy of winemaking that assumes that the best wines come from contiguous small areas is fundamental to geographic indications and appellations." [Moran 1993:716]
5.5 **Overwintering Forage.** Wild mustard growth in winter

5.6 **Crop cutting by French plow**

5.7 **Soil plowed over annuals**

5.8 **Crop Rotation.** Former vineyards now growing alfalfa.

**Plates 5.5 – 5.8** New Vineyard Land Management: Wente Bros.

(Photos permission/courtesy of Ralph Rivas, Wente Bros.)
The ultimate expression of the new Livermore wine country will be the creation of a rural wonderland which attracts tourists. Wente Bros. Winery who owns many of the historic vineyards, foresees a future enhanced image of the area:

We're trying to put on a new face and market ourselves as a wine country. The idea is to create a successful environment for those who live here or want to visit ... If we can create a rural wonderland, it will add to the value of the product. Napa will command $1 to $2 more a bottle because of image. The quality factor is not significant.

A broad range of amenities will be offered in Livermore as a tourist destination, including three championship golf courses, equestrian trails, an agricultural education center and a wine museum to emphasize and understand the local geography and history. A history park will be offered as well. The focus of the rural wonderland will be the vineyards. In the long-term, there could be as many as 10,000 acres of vineyards and 20-25 wineries in the future Livermore Valley. Phil Wente holds this as the logical outcome of the South Livermore Valley Plan:

We need to take the tools the SLVAP has given us and implement them. That will make it possible to create a sound economic base that will allow for the vineyards and (the) wineries will happen.

Urban funded acreage would go to present landowners, making it possible to put them into the grape-growing business without assuming debt. Phil Wente makes the case for the landowners who now assume a new vine-growing status: {14}

That makes them very competitive grape growers. Developers will pay them $10,000 an acre to purchase conservation easements. And the developer will pay to plant the grapes. The landowners will have vineyards planted plus cash in their pockets.
Still, not everyone endorses the notion development will produce more vines and wineries. A task force member advising the city of Livermore renders a conservative opinion. Archer Futch explains: {15}

I believe we can live within the confines of the ground rules established by the County. There are differences of opinions on how much development the plan allows. The 1600 home figure is the top amount. I believe this is more than is necessary.

Futch objects to prime agricultural land being used for development. He believes the projected number of golf courses is reaching saturation: "My main concern is the removal of vineyards. I object to putting the golf courses on vineyard land." The Wente Bros. golf course would require the removal of 55 acres to be replanted elsewhere. Eric Brown, Livermore senior planner, has asked the County to carefully monitor the number of golf courses allowed in the South Livermore planning area. "I'm not opposed to golf courses. However, if there is a proliferation of them allowed the role of the courses as a secondary use could become primary". {16}

Agricultural landowners are concerned with their livelihoods in commercial agriculture in the area. Targeting the proposed East County Area Plan, the next big land use issue facing Livermore Valley, members of Agricultural Coalition of Alameda County represent the largest landowners. {17}

Members of the agricultural coalition are the real agricultural producers in Alameda County. They are (the) 'true' stewards of the soil. They bring first hand knowledge and experience to the planning process ...Our future and the future of agriculture is at stake.
Citizen groups such as Greenbelt Alliance strive to maintain open space while advocating the economic resurgence of city-centered development in the Valley but in "anti-sprawl" not "anti-growth" terms. They envision "what a healthy region looks like -- a protected greenbelt and an investment in the cities." They recently issued an "At Risk" report concerning open space in the greater San Francisco Bay Region. [Greenbelt Alliance 1994] {18} [Map 5.1]

Citing the Tri-Valley (Livermore-San Ramon-Amador) as the "hottest of the hot spots", Greenbelt Alliance has projected future development of more than 570,000 acres in the Bay Area. Alameda County is among the leading "Greenbusters", with almost 13 per cent of the land developed. Their view of the urban growth scenario is critical to retaining the quality of life in the Bay Area. This can only serve to justify the formation of an agricultural Land Trust.

We have always advocated both sides of the coin - preservation and development. If cities build at a reasonable density about equal to that of Berkeley and Oakland, we only need 100,000 acres of land to accommodate future development during the next 30 years. ... We need to establish long term growth boundaries. As long as there is the lure of open land, the region will continue to sprawl. ... Growth should be located in existing urban areas that already have the infrastructure in place.

A U.S. Geological Survey computerized map portrays the extent of urbanization in the Greater Bay Area over a period of 90 years. It signifies the dramatic land conversion of cultivable and open space areas at an accelerated rate, consuming prime agricultural lands at a rate of 10,000+ acres per year. Over 1 million acres have been paved over in the past 40 years, and the trend is only increasing in the Central Valley, the agricultural heartland of the State and still the most productive nationwide. [Greenbelt Alliance 1991] [US Geological Survey 1994] [Map 5.2]
MAP 5.1 Greenbelt Alliance: Open Space Overview
(Reproduced with permission of Greenbelt Alliance)
MAP 5.2 USGS Urbanization Image Maps: 90 Year Time Span
(Reproduced courtesy of Len Gaydos, USGS/NASA-Ames;
Technical Credits: William Acevedo, USGS and
Cindy Bell, Johnson Controls World Services)
A protected greenbelt includes outlying agricultural lands as well as open space. Golf courses also constitute open space, as do vineyards. But while the former is a recreational use, the planting of vineyards is crucial to regenerating the wine economy. The anticipated rural wonderland can only be realized through the expansion of vineyards and the promotion of the Livermore wine country image.

This vision also comes when Wente Bros. is advancing in world markets and capturing a greater share in the international wine trade. In such countries as the Ukraine, Russia, and Pakistan, Wente Bros. is gaining a marketing advantage. The result is an annual export of 39 per cent of the current annual 400,000 case production. It reflects an export business philosophy important to California's economy: { 19 }

Our goal is to do more than sell wine. Wente Bros. believes that the key to establishing powerful, international markets is to produce premium varietal wines and show how they complement California and American cuisines. The message is that the proper place of wine is on the table. It helps to build brand name recognition and loyalty.

In the age of the Pacific Rim economy, new markets will open for California wines, gaining consumer loyalty for products. Wente Bros. is establishing business relationships with Vietnam, reflecting the increased importance of the Asian market for American products which include wines. Wente Bros. anticipates sales of some 6000 cases for the current year. While U.S. wine consumption per capita has diminished in recent years foreign demands for popular California wines will generate an economic revival in the local vineyards. Livermore, in particular, has the opportunity to expand into this market while retaining present acreage and space for new vineyards, which in turn generate new investments.
Livermore Valley wine country recognition and brand name loyalty go hand in hand. Wente Bros. intends to "create the image of being one of the best wineries in the world." Its marketing plan is now supported by the overall goals and objectives of the South Livermore Valley Plan. Capturing international markets serves that image, benefitting the local and state economy. The city of Livermore will directly benefit by enhancing the potential assets of its downtown. People will be attracted to its small town atmosphere and its rural environment. Visitors will sense the community pride and cultural identity of Livermore in promoting itself as the other wine country, distinctive from more popular Napa Valley. Livermore can be a tourist mecca on its own merits.

Livermore has broad-based support to cultivate its vineyards and its image. "What we would like to do is create our own, distinct identity" insists Phil Wente. Barbara Stear of Friends of the Vineyards maintains "we're going to be competition for Napa" and "you get a very personalized atmosphere in the Livermore Valley" owing to the region's smaller size. Stear claims: {20}

"Napa has gotten so commercial that it's very rare if you actually get to talk to the winemaker ... If you want to meet the winemaker, come to Livermore.

Napa Valley attracts over 4 million visitors a year, has more than 200 wineries, 34,000 acres of vineyards, and numerous tourist attractions. In the words of the Napa Valley Vintners Association, "Napa Valley has a very deep-rooted image in the world hard to duplicate." {21}

"The Napa Valley is a very unique place. You enter it ... you know you've entered it. I think that's one of the reasons why Napa Valley is such an attraction -- it's physically beautiful. Unfortunately, for Livermore, they're a more urbanized area."
In fact, Napa Valley has become increasingly urbanized and commercialized. Livermore has a plan to protect its vineyards with strong citizen support and the leadership of the wine industry. Without such a commitment, the Wente family would have moved from the area. Today, thanks to the South Livermore Valley Plan, the Wente family and winery is here to stay. In the 1980's, the family was certain that "the area was pretty much headed for development." The Wente family views the Plan as promoting "a strong, critical mass" to help identify the Livermore wine region. This is one of the major goals of the SLVAP "Plan". Wente Bros. can be an anchor in developing that critical mass to regenerate the wine economy, together with land planners and political leaders.  

On the outskirts of Livermore, are maintained historically significant vineyards with Spanish California architecture in the Wente Bros. Sparkling Cellars, featuring white stucco, red tiles and palm trees. The historic Retzlaff Vineyards has an understated look, with tree-shaded picnic tables reached by a dirt road through the grapevines. Smaller operations like Murrieta's Well and Cedar Mountain Winery are almost hidden from view. They add to the quiet, unrushed, peaceful and pastoral charm of the Livermore Valley. These are examples of the amenities which help the rural wonderland image and attract tourists to the Livermore Valley.

Wente Bros. and Concannon Wineries seek to emulate the Napa Valley, yet intend to maintain a separate identity. In terms of geography, viticulture, and enology these wineries hope to attract both local and international investors who are sold on the opportunities of growing premium varietal wines in a unique environment which has space to expand. Livermore Valley may envy Napa Valley, but may now be perceived more appropriately as a new California wine country in the making.
On June 24, 1994, the American Planning Association presented to Alameda County Planning Director Adolph Martinelli the 1994 California Chapter of the APA Northern Section award for the South Livermore Valley Area Plan, recognizing the work of the planning agency for:

"Outstanding planning program for a large jurisdiction of over 100,000 people"

The APA criteria cited for awarding this are: (1) innovation, (2) transferability (to other counties in the state); (3) the emphasis on agricultural preservation; and (4) the brevity of the document in terms of being concise in language.

This is a prestigious and competitive award, which will now go on to statewide voting and eventually to the national level. The APA conducts these competitions every year and recognizes the singular achievement of a local jurisdiction for planning on various scales. Alameda County may qualify for state and national recognition and could eventually establish a model for both statewide regional planning and national land use planning; which has been lacking in any coherent policy. The South Livermore Valley Area Plan may reverse this and help motivate local communities to plan their future land use with innovative and strategic policies.

The added significance of agricultural land planning to the greater San Francisco Bay region is reflected in the fact that such organizations as MALT have contributed to the economic base of the county for which it serves, in this case Marin County. Even during the recent recession affecting California, counties such as Marin and Sonoma which have retained their agriculture-based economy have not been as severely impacted as other counties which are more dependent on a service sector. Employment elsewhere has been less than stable. Livermore Valley now has a renewed economic base.
PLATES 5.9 - 5.12 Views of South Livermore Wine Region

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[Vineyards on the valley floor]

[Vineyards on hilly slopes]

[Views of prime vineyards, looking northwest along the Arroyo del Valle]

Plates 5.13-5.15 Summary Overview: South Livermore Valley
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SUMMARY and CONCLUSIONS

In this thesis an attempt has been made to bring together several approaches of geographic study centered on the South Livermore Valley. The goal was to produce an historical, political and legal geography of the Livermore wine-producing region. Historical geography was one key to understanding present day land uses in the Livermore Valley. Political geography focused on issues surrounding the land, in general, and to what extent it will be developed. Legal geography is important if the Livermore wine-producing region is to be protected and expanded for both economic benefits and environmental safeguards. A land trust was the culmination of planning strategies and processes which involved efforts by many citizens, developers, viticulturists, city and county planners, and activist organizations. The Land Trust will be key to the future of Livermore Valley as a wine region.

Chapter 1 portrayed the Livermore Valley by interweaving two main themes. In particular, the South Livermore Valley has a geographical and historical uniqueness and a wine-producing identity to the present. Livermore Valley was somewhat isolated physically and delimited in terms of natural features and soil attributes. Soil and climate were early found to be conducive to viticulture. From the late 18th century, grazing lands gave way to wheat-farming by the mid 1950s, which gave way to vineyards by the mid 1870-80s to the present. In short, Spanish land use traditions yielded over time to new French viticulture. Livermore Valley earned its reputation as the "Sauternes district of California" in the 1880s. Entrepreneurs settled there and cultivated premium European wine grapes based on an adapted knowledge of viticulture and enology. It remains a significant, though somewhat obscure, wine country a century later.
Cresta Blanca vineyards was a celebrated producer of the wine district, acknowledged with international awards. Through the efforts of European wine pioneering families, such as the Wentes and Concannons, Livermore prospered as a wine country. Its golden age ended with a series of setbacks, including grape surpluses, a phylloxera epidemic and Prohibition. In 1933, only 12 wineries remained in the valley. In 1980, less than 2000 acres were still in productive grapevines. Nevertheless, the wine region has survived as "a small wine country", with a goal of attaining 5000 vineyard acres.

Chapter 2 focused on the South Livermore Valley as the study area for the county-initiated study in 1987 to resolve contentious land uses and find ways to compensate landowners for keeping lands in agricultural and viticultural production. The character and quality of potential land uses and developments were presented here for later incorporation as an Area Plan. The comprehensive Livingston study developed a Specific Plan based on known environmental factors, resource attributes and possible scenarios centered on agriculture vs. development, which would amend the General Plans of cities and County. The South Livermore Valley Study considered alternatives to compensate landowners and planning strategies for the conservation of prime agricultural and viticultural lands remaining in the unincorporated areas south of Livermore. One highlight of the SLVS was a citizens committee as an advisory to the County. Several years later, such committees still met and deliberated on the current issues with land use planners and government officials. The citizens committee assured that public review and comment were part of the planning process, leading up to a draft EIR and a Specific Plan. Once the South Livermore Valley Study was completed, an Area Plan was prepared for final incorporation into the Alameda County General Plan, and later the Livermore General Plan.
Chapter 3 explained the Environmental Impact Report for the South Livermore Valley Area Plan. It treated the political facets and legal ramifications arising from the lawsuit between Livermore and the County over the Ruby Hill project on unincorporated land. After five years of sustained public debate, political confrontation and legal wrangling, some thought the plan dead. Even the Wente family considered moving out of Livermore. Instead, the SLVAP survived and in February 1993 the plan, described as "one of a kind in the State of California" was put into motion by the County Board of Supervisors. The resolution of outstanding issues, including spheres of influence between the cities of Livermore and Pleasanton affecting Ruby Hill, the annexation of lands adjacent to the project and the drafting of conservation easements to protect vineyards was affected.

To succeed, the plan would need strong economic incentives for landowners to invest in viticulture and other intensive cultivation, while providing long-term stability for other agricultural uses and treating landowners fairly. It required coordinated county and city planning to ensure that development limits were placed on agricultural lands. The approval of two development projects, principally the settlement of Ruby Hill, broke the impasse which threatened the plan. Ruby Hill and Crane Ridge development accords demonstrated that limited, planned development could provide economic stimulus for landowners to invest in viticulture.

The hallmark of the South Livermore Valley Area Plan is the formation of the Land Trust, summarized in Chapter 4. An Agricultural Land Trust is an innovation to the Livermore Valley; it promises to reestablish at least 5000 viticultural acres and up to 25 wineries in two decades to meet the goal. The South Livermore Valley Land Trust is crucial to the success of the plan over the long term.
Mitigation fees from the Ruby Hill project and other transitional area development will make the S.L.V.L.T. one of the richest land trusts in the country. Another key provision of the South Livermore Area Plan is the Land Trust will manage parcels formed in the southern Livermore valley as geographical units, forming a boundary between urban and rural land uses and as an urban barrier between Livermore and Pleasanton. The Land Trust will effectively end the parcelization of land uses in the south Livermore Valley once dictated by urban encroachment, which led to urban sprawl.

What began as an historical geography in Chapter 1, led to an analysis of political geography in Chapters 2 and 3, and culminated in a study of legal geography in Chapter 4. The Livermore wine region is now defined in terms of legal geography as a land trust designed for a geographic area and for a single purpose. The language of the charter and the mechanics of the Board of Directors have been spelled out and approved by the County which oversees the mission of the Trust. The Directors will hold the conservation easements in trust and plan to add new vineyards as development proceeds in the area. The S.L.V.L.T. held its first official meeting in May 1994 and already has a projected $500,000 in fees due for funding the trust to purchase conservation easements.

Chapter 5 summarized the goals and objectives of the Area Plan, along with a projection of new viticulture in the South Livermore Valley. After several years of debate, a consensus of interests supports an optimistic future for the Livermore wine region, one which benefits both the wine industry and the local economy. By emphasizing a unique wine country image, Livermore is charting a future based on viticulture with a land trust to realize it. Ruby Hill, a model of vineyard estate planning, will fund the trust, and this land trust may become a model for the State of California.
A general conclusion is drawn from all previous chapters. Livermore Valley has survived by being a "small" wine country defined by geographic limitations. Despite the decreasing vineyard acreage in recent years, the continuity of the wine-making tradition has survived. The contiguity of notable historic vineyards and wineries, such as Wente Bros. and Concannon, have survived urbanization and are now in the hands of a principal landowner, the Wente family. Even now, the land is at risk of being converted to suburban uses. However, Livermore Valley has the advantage of small size, with defineable and measurable boundaries, which are also manageable. Livermore Valley's space can be more easily divided into planning areas and sub-areas. Owing to the continuity of tradition and contiguity of viticultural lands, planners have used the instruments of EIRs, area plans, and conservation easements adapted to a single purpose, that of preserving and protecting in perpetuity a wine region.

Another important conclusion is that geographic criteria and spatial factors between cities served as the primary database for determining the course of urban development and problem resolution of the rural-urban fringe. For the first time, a land trust will become part of a general plan to construct a permanent boundary between urban and rural land uses. Defined by easements on the vineyard lands, the South Livermore Valley will no longer be subject to urban sprawl. The vineyard area will be distinctive from a transitional area, and these from urban areas. City limits will be clearly defined rather than drawn on the basis of spheres of influence. A final edge to the city is established; the final chapter in Livermore's urbanization was drafted. Land use conflicts required plans to meet current conditions, not past scenarios. Geographic information systems will be used by planners to manage complex issues of growth, development and conservation. Vineyard easements will be a tool of the trade.
Another conclusion is drawn from the economic realities. Contrary to some academics, who have viewed the rural-urban fringe problem as a social class struggle (e.g., Greenberg 1988), we have presented it as a geopolitical struggle for space between cities, between cities and county, and an illustration of inherent conflicts in State planning policies. The economic facts of life in California have been unbalanced: the County mandates increasing revenues from cities, in turn they expand their borders to incorporate and service the new lands which generate new revenues for the County, but which taxes the services of the cities. Faced with burgeoning needs and dwindling revenues, Alameda County, like others, is pressing cities harder than ever to expand and urbanize. Cities are presently reluctant to play the role of a "cash cow", and increasingly resistant to new developments. At best, cities are only breaking even. The City of Livermore lost $5 million in the Ruby Hill negotiations to build service connections to the property, part of the resolution of a city-initiated lawsuit.

The lessons of the South Livermore Valley Area Plan have been reflected in the need to become more pragmatic than bureaucratic in the planning process in the State of California. All entities are trying to cope with an economic downturn. After five years of efforts by professional planners, politicians, and citizens, the Area Plan is being implemented even while the finer points are being debated over where to build houses and plant vines. However, this will not diminish the plan's effectiveness nor its legal viability. The Plan's value has been in its transformation as a public forum and a legal framework, not a compendium of statutes. It is a long-term regional plan, not a short-term local solution to the problems which have affected Livermore Valley over the past fifty years. The Plan should resolve land use issue problems for the next one hundred years.

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Ruby Hill, Crane Ridge and future developments will be role models in the next decade in the environmental planning of vineyard estates, combining appropriate architectural styles with rural ambience. They will adapt professional expertise in viticulture with the requirements of a conservation easement. They will oversee the project to construct with sensitivity to environmental needs, while fostering the rural environment, one which is still compatible with viticulture.

In a sense, Ruby Hill reflects a growing dissatisfaction with land use planning at the local level in the United States. One planning historian observed: "We lack not the technical skill but the political will (and) decision-making power over the place, tempo, sequence and pattern of urban development." Only with the advent of the so-called Ecology Movement in the 1970s did any prospect for changing attitudes occur. A local citizen group People for Open Space launched their grass roots efforts in the Livermore Valley. Now a formidable environmental lobby, Greenbelt Alliance is a chief advocate for open space preservation throughout the East Bay.

The urban hinterland has gone far afield, related to changes in technology, economics, and social behavior. The concentration of new workplaces, shopping facilities and services at the outer edge of metropolitan regions signifies a reversal of traditional urban core-periphery relationships. Livermore has been at the forefront of slow-growth cities seeking to reestablish city-centered growth policies. In doing so, it has struggled to balance the need for growth and revenue with the demands for environmental quality. The City of Livermore could not do this alone. It must operate within a much larger sphere, stretching itself to the limits of planning. Since Livermore maintained policies to preserve the balance of agricultural lands, the County was forced to settle their differences. Cooperation replaced litigation.
The County assumed the role of lead agency to cope with issues in Livermore, since it had decided not to become just another bedroom community for metropolitan San Francisco. Livermore has been at risk of being absorbed into the Greater San Francisco Bay Region metropolis and having the County and State dictate the terms of urban development and growth policy. But Livermore Valley is unique in its geographical position and will have a pivotal role in the regional economy as more companies seek to relocate to the urban hinterland. The most appropriate plan for the Livermore Valley was to commit to long-term land use policies with which everybody can live. Moreover, the preference for home rule has given Livermore remarkable freedom, especially as it is located at the edge of the metropolitan area. A Land Trust was the most agreeable solution and this signifies it is possible to plan for and manage a wine region, centered in the South Livermore Valley, not just another metropolitan statistical area.

In a final variation on the geographic themes of site and situation, the Land Trust's focus on the physical site or historic vineyards stays central while the situation around them changes in terms of economics and local politics. Planners found it practical to separate vineyard sites from urban situation to plan land use elements to contain urban sprawl. Politicians decided how to implement the plan. Citizens engaged both planners and politicians in public debate. Livermore has become a leader in opening the planning process to public participation. In doing so, Livermore has fulfilled the spirit of CEQA of which one goal is to foster environmental consciousness in California. This was the forum wherein citizens and professionals came together and eloquently testified to the significance of regionalism. They have declared their geographic identity as the Livermore Valley, which has a sense of locality, of place and regional synthesis. Residents altered their situation in living space.
Livermore made the decisions and adopted the plan to meet the challenges. Without the Area Plan, the Livermore Valley would have lost its identity and would have to strive to regain it amidst burgeoning business parks, shopping centers, rapidly multiplying subdivisions, and a downsizing nuclear weapons laboratory. Livermore would have lost its battle. It would have become just another town in a sea of suburbs, just another outpost in the Greater San Francisco megalopolis. Instead, the Livermore Valley has reassumed its unique position in the California wine-making industry.

The City of Livermore has also made an environmental statement to the business community and political leadership, both of which held local control by State mandates. Local control is driven by economic demands and environmental issues wherein the community continues the debate. But the same populace has also drawn the line between urbanization and preservation, between growth and sprawl, and between what is good for the State and County and what is in the best interest of the local citizenry. They constitute a vocal challenge to any plan, whether it comes from the County or other regional agency. Yet the time has come for regional thinking in future planning, as difficult as that might be. The SLVAP was the working formula which finally placed issues in the Livermore Valley into a regional framework.

In doing so, the Plan not only revitalized but reshaped the role of the planner in the entire political process, Planners are easily perceived as playing a good government role and separate from the local political scene. But they cannot be divorced as mere academics. They are intensely involved in addressing the larger questions of community values and engaged in an ongoing dialogue to reflect those values in plans and policies. Neither are planners just theoreticians.
As practitioners of the art of the possible, a planner's craft is more of an artform than a science, but they must conform along the lines of logical inquiry. The SLVAP was the most practical outcome of this planning process, but we may also call into question the entire EIR process as too cumbersome and time-consuming. A more critical conclusion may be gained from taking a closer look at the piecemeal approach of EIR environmentalism as too fragmented and unreliable. Using Geographic Information Systems (GIS) planners may be better able to apply their craft by incorporating environmental strategies into General Plans, framing the issues in the context of an ecological database accessible to all interests and concerns with human and natural resources.

The planning process is future-oriented and speculative in nature, but Livermore city planners and county planners both labored to turn a vision into a plan. The Plan evolved within the community, not in the abstract. It is now reality. After several years of political dialogue and public debate the Plan has finally gained widespread vocal enthusiasm from all sectors of the community. Even planners are excited about the prospects. Political leaders applaud the citizen efforts which led to the final drafting of the Plan. The i's have been dotted and the t's have been crossed. Yet while the Plan is final, it will keep evolving towards a much larger goal.

Alameda County approved the South Livermore Valley Area Plan which the Land Trust will implement in perpetuity. It is the ultimate regional solution to local problems, the most logical outcome of planning policies by a community intent on maintaining local control of its future. Community values and civic pride came to the rescue. Livermore has rediscovered its identity as a wine region and has put its future in trust. Building on the past, it plans to fulfill vintage dreams, to the benefit of generations to come.
1. Geomorphology is the scientific study of landforms and landscapes, which used to be called physiography. Geologists recognize 11 discrete California geomorphic provinces. Livermore valley is in the south Coast Range and now refer to the "Jurassic-Cretaceous Franciscan Assemblage" which forms the core of the Diablo Range in the Central Coast Range [See Howell, ed. 1976]. The primary source of the Livermore Gravels is the Franciscan assemblage, which are commonly dated as "Plio-Pleistocene" by the fossils found in them. The age of the Livermore gravels in the Pleasanton-Sunol area has been determined to range from 300,000 years (Pleistocene) based on the age of overlying terrace deposits, to 5 million years old (Pliocene) [Ollenberger 1986:10; Kreissman 1991:26].

2. The earliest published reports on the geology of Livermore gravels referred as the "Orinda Formation" [Banner 1912; Lawson 1912]; Vickery [1924] proposed "Livermore Gravels" in his Stanford University dissertation. Clark is credited with naming the gravels in a 1930 article on the tectonic history of Mt. Diablo and Mid-Coast Ranges. He also referred to them as the "Livermore Formation" and the "San Antonio Gravels". Harding [1942] conducted the first detailed mapping.

3. Alluvial fans occur along mountain fronts where intermittent streams issue from steep canyons into a valley. At these openings stream load is dropped and spread out in fan-shaped deposits, generally sloping 1-10 degrees toward the apex and is convex in cross-section. Where streams discharge close together, their fans may coalesce into a continuous alluvial apron. This process has occurred in the south Livermore valley. A braided pattern has developed on broad floodplains or alluvial terraces and is controlled by the load of the stream. Braided stream channels are sources of sand and gravel. Braided stream and sheet flood deposits dominate the outermost portions of the Livermore valley to the north and northeast. The ancient flow is from south to north. [Fig. 1.2] [Avery and Berlin 1992:30;306;320; See Bailey 1966]

4. Mt. Diablo Range is divided between north and south and separated geographically by the Livermore valley. Mt. Diablo is the highest peak in the north, while the southernmost extension rises to Mt. Hamilton. The Diablo range forms the easternmost part of the Coast Range. It is a northwest-southeast trending range bounded on the east by the Central Valley. The western margin is controlled by the San Andreas fault system. Major folding and faulting on a regional scale in the late Pliocene outlines the Coast Range within which Livermore valley formed. Thick massive gravel outcrops are deposits shed northward into Livermore valley during uplift of the Diablo range. [Ollenburger 1988:12]

5. The valleys consist of coalescing alluvial fans, low terraces, and flood plains; typically they are nearly level to gently sloping. Livermore and Amador valleys, adjacent to each other, are the largest coastal valleys. The main streams in the Livermore valley are the Arroyo Mocho, Arroyo del Valle, and Arroyo Las Positas, which flow in a westerly direction. All streams, except Alameda Creek are intermittent. Streams contain running water until the mid-summer, when the water sinks below the surface in most places.
6. Many soil series contain soils that differ in texture of the surface layer. Accordingly "soil types" are made. Within a series, the soils having a surface layer of the same texture belong to one soil type [Example: Rincon loam and Rincon clay loam are two soil types in the Rincon series]. Areas on the soil map are "mapping units", nearly equivalent to a soil type or a phase of a soil type. Each association is named for its major soil series. In preparing maps useful in management of farms and fields, soil scientists show different but closely related soils. These form one mapping unit called a "soil complex" and is named for the major soil series in it. In the Livermore valley, are soils of the terraces, alluvial fans and flood plains. Elsewhere are the uplands soils. Altogether there are seven general soil associations. Only the "Yolo-Pleasanton" soil association concerns us in terms of this thesis study area. The soils on terraces, alluvial fans and flood plains make up about 28% of Alameda Co., mostly agricultural and urban land.[Soil Survey-Alameda Area 1966].

7. Sergio Traverso, winemaker for Murietta's Wells winery. Livermore gravels have the quality effect of a well-drained soil, which in the view of Traverso is largely ignored in California, where vineyards are often planted in rich soils that have poor drainage and suffer from too much water retention. [Peters 1989:131]

8. Hilgard observed: "in this county, as in Santa Clara, portions of the mountain slopes are known as 'thermal belts', on account of their exemption from frosts, as well as from the direct inflow of the sea fog." [Hilgard 1887:110]. Another early account observed that "encircling the valleys (in and around Livermore and Sunol valleys) at an altitude ranging from 50 to 400 feet in what is known as the 'Warm Belt'." [Livermore Board of Trade 1887: 12]

9. During the early spring, the vine growth starts soon after a daily mean temperature of 50F. However, they must have temperatures above 50F for the fruit set and ripening. Daily mean temperatures of 65F are necessary for development and ripening of the grapes of most varieties. Some require daily means from 75 to 85F. The vine developing period from bloom to ripening extends from April 1 to October 31.

10. A 1000 ft elevation serves as an historical benchmark, above which vines are exposed to the effects of heat and wind. The protection afforded by local geography makes micro-climatic conditions suitable for a range of vines. Wente Bros. observes this locally, but in California wine grapes grow to 2500 ft elevation, even in the Sierra foothills.

11. On June 11, 1797, "Mission San Jose' de Guadalupe" was founded by Spanish priests. Many early settlers of the valley previously lived in the mission region. Mission cattle multiplied rapidly and found good pasturage in the Livermore valley. Mission Fathers planted the first vineyards in Alameda County a quarter century before those planted in Sonoma. From the mission, the padres at Mission Dolores in San Francisco obtained the grapes to make wines for the Mass. The English seaman Robert Livermore obtained the vines there. He was the first to plant in the valley during the 1840s. Among the early wineries near the mission were Joseph Palmer's Peak Vineyard, planted in 1852 with vines imported from Europe.
12. Mexican government offered grants of California land to all Mexican settlers of good character. The grants ranged from 1 to 11 leagues (4,438 acres) and were called "ranchos", the settlers called "rancheros." The "Rancho El Valle de San Jose'", of eleven leagues, extended from Sunol to Livermore valley (64,000 acres). The earliest "ranchero" in the Valle de San Jose was Jose Amador, who moved to the Amador valley 1826 and built an adobe, with the assistance of Livermore, in what is now Dublin. Land granted to him in 1835 as the San Ramon Grant was called the first in the Livermore valley. Livermore later acquired the Los Positas Grant. He purchased the rancho with Jose Noriego. He became "a rich and powerful man" and was made Supervisor of Murray Township, the first district in Alameda County.

13. Robert Becker in his Diseños of California Ranchos [note: a diseño is a rough sketch map of a rancho] states: "Generally, it was required that a land grant be occupied within twelve months, and that a dwelling be erected and inhabited before the end of that period; the land might be fenced, but without prejudice to public roads; and the grantee was obliged to obtain from his magistrate the act of jurisdictional possession, which in theory would define and measure the boundaries. The process of locating and measuring the rancho boundaries required the presence of the new owner, the neighboring rancheros, the officiating magistrate, and his assistants. The whole party, once assembled, determined the direction and distances satisfactory to all by riding down those lines where there were possibilities for later disagreement. At the conclusion of the ceremony, the magistrate formally indicated to the grantee his possession of the land, and the latter took symbolic possession by pulling up clumps of grass, breaking the branches of trees or bushes, and throwing rocks in the four cardinal directions, thus indicating that as owner he could do things to the land that would not be permitted to another." [Becker 1969: ]

14. Spanish abounds in the placenames of the estates established in Livermore valley, notably: Cresta Blanca, Dos Mesos, Lomitas, which reflects old Spanish land grants; Many descriptive Spanish adjectives have been preserved and used as specific or generic "place names", eg., Alta, 'high'; nuevo, 'new'; hondo, 'deep'; caliente, 'hot'; buena, 'good'; seco, 'dry'; gordo, 'large'; mocho, 'cut-off'; permanente, 'permanent'; and colors, like blanco, 'white', verde, 'green', prieto, 'dark', and azul, 'blue'. Some French names are also found as in La Bocage, Mont Rouge, Bellevue. Others have geographical reference to unique features, eg., Ruby Hill, Corral Hollow, Crane Ridge.

15. The original Wente winery and home were situated on 57 acres. Herman Wente recollects that the original Bernal family land grant which occupied the valley south of Las Positas Creek over the years divided and borrowed against their land, and divided it again between members of the family until it was bought by Joseph Black, who in turn later borrowed and subdivided until it was acquired by E.R. Lillienthal, who in turn sold it in parcels. He practised diversified farming: hay, grain, cattle raising and vineyard farming. "About 1898, he sold 240 acres of the eastern portion to C.H.Wente. This land was adjacent to the U.S. Government survey sections and was the east border of the original Rancho del Valle de San Jose'. On this land, Wente planted some grapes and the balance went to grazing and hay farming." [Wente: Undated: 4]
16. Livermore may advertise as "Wine country since 1849". The year goes back to Robert Livermore, the city's namesake, but most historical references place the date of 1844 when he first planted grapes. According to Thomas Pinney [year?] "He planted vines and made wine, but only as most ranchers did, for his own needs. ...By the 1870s, the "Livermore valley had a token 40 acres". Barry Shrader, charter member of the Friends of the Vineyards is among historians who argue that Livermore only became wine country when the first winery opened in 1882; a year later, Wente Bros. and Concannon were established. Pat Dugand, manager of the Livermore Main Street Project, who was instrumental in changing Livermore's stationary, argues that the 1849 date is when Livermore Valley wines first got their "appellation", stating that the wine came from (this) area. According to Janet Newton: "The first systematic planting of grapes in this valley was in the late 1870s." To be sure, the first wineries were not built until the early 1880s and the first wine to be sold from Livermore grapes was made in 1886. Barbara Bunshah, a local historian and the curator of the Heritage Guild, could find no reference to the 1849, but says "Livermore can stake a claim to wine country before the Napa valley" (in "one-upmanship" between Napa and Livermore wine interests).

17. The Livermore wine district was first recognized by the State Board of Viticultural Commissioners as part of the "San Francisco District" though grapes were not grown in San Francisco. It is a delimited agricultural region with either legal definition or historic boundaries characteristic of a viticultural landscape. [See Gibson 1969]

18. Many vineyards were part of a diversified farm. Small growers were experienced vineyardists who did "contribute to the excellence of Livermore valley grapes and wines, but most were probably unexperienced." The small grower often planted the more prolific, common varieties of grapes and received half as much per ton. Yields from the non-irrigated Livermore valley vineyards sometimes approached six tons per acre but averaged less than two tons. [Bundschu 1893].

19. A Livermore Herald newspaper article with editorial dated Dec. 29, 1881 is indicative of the optimistic reports of a developing wine industry in the valley. The newspaper maintained ongoing reports and statistics from 1899 to 1919.

20. Gibson observed that "much of the growth in the Livermore valley was due to the example given by the wealthy growers. Others followed when men of wealth and judgement invested in the Livermore valley." The picturesque vineyards and colorful names typified the "genteel manner of life of many Livermore vigneron -- wealthy men, proud of the gardens surrounding their country homes, and their fine horses ... as well as the wines produced under their patronage." [Gibson 1969:46]

21. Ernest Wente [Undated: 31] observed vineyards "in summary amounted to at least 20,000 acres of vines in Livermore Valley -- mostly all planted to red varieties and possibly 15% white ... Grapes in early 1900s were very much in surplus, driving market price as low as $6 per ton ... there were no buyers. This condition corrected itself by Mother Nature -- most of the grapes were planted on own rootstock (vinifera) and phylloxera just killed them off." Wente's 20,000 acre figure is regarded by historians as incorrect. There was a tendency to overstate the extent of vineyards and project figures for the county at large.
22. The Ruby Hill property is currently owned by Wente Bros. and used as grazing lands. Some of the vines stand but have turned to seed. This was red grape-growing country and included such varietals as Zinfandel and Trebbiano as the microclimate conditions were more suited to these plantings. The property is scheduled for development which will include "20-acre vineyard estates" in cooperation with a land trust formation.

23. Livermore's wine-making was in the tradition of a Spanish cattle rancher who produced wine primarily to satisfy his needs. He did not anticipate any great future for vine and orchard culture in the south Livermore valley. He is quoted as saying: "I got rid of every damn acre of that gravel" after selling 2 leagues of land on the south side in 1853 [deNeir 1929:69]. The original town of "Livermore" was actually named "Laddsville" but it burned down in 1870. Livermore was so well known and respected for his generosity to neighbor and travelers alike, the new town was named in his honor in 1876.

24. By the turn of the century, land of the Livermore valley seemed to be divided as to its uses. Generally, the farming land and the surrounding hills were planted to barley, wheat, oats and hay. The valley land was used primarily for growing vegetables, vineyards, barley, and hops for brewing. What was once a farming industry became a diverse economy. [Wente, undated:3; Rowley 1931:18]

25. At age 35, Charles Wetmore, a native of New England bought 480 acres of the original "Rancho El Valle de San Jose'" for $200 in gold coin on March 12, 1882. He planted vines that year and then built a winery in 1883. He called it "C. A. Wetmore Wine Company", later renamed "Cresta Blanca". No original map of Cresta Blanca could be located, but a copy of a sketch of the property showing the original plantings was obtained from the Wente Bros. Winery archives. Much history about the vineyards can only be deduced from records of the State Board of Viticultural Commissioners and local "viticulturists" associated with historic wineries, namely Concannon and Wente Bros.

26. With a letter of introduction from a friend and neighbor Mrs. Louis Mel to the French estate Chateau d' Yquem, Wetmore imported grape cuttings from Bordeaux and other regions to replace vineyards which were beginning to suffer from phylloxera throughout California in the 1890s. Selective cuttings were from the famous four grape varieties which made up the chateau's estate wines: Semillon, Sauvignon Blanc, Colombard and Muscadelle du Bordelaise. According to Ernest Wente: "Mr. Mel was a big factor in getting Semillon and Sauvignon Blanc cuttings from the Chateau...these cuttings were used for much of the Livermore plantings." [Wente: Undated: 10]

27. The depression of 1876 taught growers a big lesson, and when phylloxera played havoc the old vines were torn up and replanted by the best available vines from France, Germany, Austria, Spain and Italy. Many vines were courtesy of Agoston Haraszthy, the Hungarian pioneer of California viticulture, but there was little expertise in growing them. To most wine-makers, they were not productive enough and many resorted to replanting native "Mission" or "Zinfandel" grapes long considered the only grapes for winemaking on the California coast and were popular with the many Italian immigrants; there was little in systematic plantings. [See Ordish's "The Great Wine Blight" 1986 for a history of phylloxera].
28. The Livermore valley prospered as a wine district only after the efforts of Wetmore following the depression of the 'seventies and 'eighties. After he persuaded the legislature to establish a State Viticultural Commission, they succeeded not only in improving methods of wine production, but in combating the phylloxera disease. Wetmore conducted surveys of vineyards to report to the Commission and even did experiments with various rootstocks in different soil conditions to determine the most suitable rootstock for his imported varietals. Wetmore's knowledge of French cultivars and his practical knowledge of soils and climate regimes established "Cresta Blanca" vineyards by grafting the European "varietals" to the resistant American rootstocks. He located different cuttings on the alluvial fan soils in a way that certain ones were afforded the most appropriate soil-structure conditions to meet the heat requirements as well as the drainage needs of the vines. The original vineyard was plotted and planted to optimize growing conditions, based on observations of the French Bordeaux region.

29. "Mission" grape was originally introduced by Spanish missionaries and became popular because it grew easily and rapidly, providing the bulk of sacramental wines. In fact, it is an inferior grape variety which has questionable heritage. The vines became large and the bearing was prodigious providing abundance for little effort and investments. It remains important in southern California for the production of sweet dessert wines. The grape benefits from hot mesoclimates.

30. The *Vitis californica* and the *Vitis arizonica* rootstock were both vigorous, "the latter being the greatest resistance of all, easily grown and cared for, and can be depended upon as proof against phylloxera". These American species adapted to desert conditions. [Colburn 1889: 13]

31. Livermore was one of the areas that benefitted by the expansion of grape-growing. It was selected because it was a proven area, close to San Francisco, and isolated from the known phylloxera infested areas. Gibson noted that throughout the 1880s, "the growers attempted to maintain this isolation by inspecting all vine cuttings entering the Valley." Local grape growers petitioned the Regents of the University of California not to conduct any experiments with phylloxera for fear that it would lead to an invasion. By 1893, when most of the grape growing districts were established, the dreaded phylloxera had not made its appearance in the county, although most of the vineyards were begun in 1891. Precautions had been taken with cuttings and rootstock from other districts. Upon their arrival and before planting, cuttings were immersed in a special solution of sulpho-carbonate of potash, which exterminated "germs of phylloxera". The Local Resident Inspector enforced the disinfection of all cuttings and rooted vines.

32. Botrytisized wines are made with the botrytis mold which grows on the skins of the grapes and concentrates the wine juice making it very sweet, akin to French sauternes and German Rieslings.

33. Eventually the economic return on grapes was less than the costs of production, especially for small growers who attempted to support a family with 20 acres of vines. Depressed market prices were made worse by an unseasonable heatwave in 1891, reducing the crop by 40 per cent. In 1892, late frosts reduced the crop by 25 per cent. By 1893, 300 acres were abandoned. [Bundschu 1890:52; Hussman 1888:251; Caroso 1951:138]
34. Owing to financial pressures, Cresta Blanca Winery was sold to Lucien Johnson in 1920. In 1941, Cresta Blanca was acquired by Schenley Import Corp. It was "an important development of the industry," including a national distributorship, an organized corporate structure, and large scale marketing. In 1945, new corporate headquarters were established in San Francisco, a move attributed in part as symbolic to "the importance of the City by the Golden Gate as the Wine Capital of the nation." [Guild, Ed. 1974: 14]

35. Ruby Hills vineyards were planted by J. Crellin & Sons in 1889. Named after the reddish hue of the surrounding hills to the south, the historic vineyards were located on a 300 acre parcel in the northwest corner of the present site bordered by Vineyard Avenue on the north and the Pleasanton City limit to the west. Ruby Hill winery was cited early by Coburn (1889) as one of the finest examples of winery architecture, built entirely of red brick and considered state of the art. The site was on a par with Cresta Blanca as one of the most important grape growing areas in the Livermore Valley. The winery burned down; but a farmhouse still stands on the property. The new developer of Ruby Hill agreed to renovate the original winery and replant the original vineyard area. Vineyards were estimated 90 years old when 600 acre were uprooted due to severe infestation by nematodes when the property was acquired by Computerland Corp. in 1982. In the process, a unique Ruby Hills "clone" of the Zinfandel grape was lost.

36. Citizen groups became active in the 1980s during the critical time of loss and decline in viticulture include the Friends of the Vineyards (established in 1983) and the Fertile Crescent Coalition (est. in 1993). Both have been activist with the major vineyard owners and Livermore Winegrowers Association, forming a coalition to instill support and place issues on the agendas of the County and the City of Livermore. The Friends of the Vineyards formed as a non-profit organization under the leadership of Barbara Stear and Patience Rogge, and other concerned citizens. The Fertile Crescent Coalition formed as an ad hoc group by Dr. Barry Shrader and Arthur Futch, but has not held regular meetings.

37. Designated the "Livermore Valley Viticultural Area" or Livermore AVA (American Viticultural Area), it was approved by the BATF, Bureau of Alcohol, Tobacco, and Firearms. In June 1993, the Wente family submitted a petition to amend the boundaries of the Central Coast Viticultural Area in order to establish a sub-appellation grape growing region, namely "San Francisco Bay" as a new American Viticultural Area. In their formal petition, they cite: "The establishment of San Francisco Bay as a viticultural area and its subsequent use as an appellation of origin on wine labels and in wine advertisements will allow wineries to better designate where their wines come from and will enable consumers to better identify the wines from this area." [Petition dated June 1, 1993]

38. Adapted from Welch, 1982 and prioritized to highlight the key concerns of this thesis. Welch's thesis represents the first vineyard study primarily aimed at planners. His analysis and assessment of the vineyards in Livermore Valley show steady decline over the past 20 years. It represents the only thesis done on the Livermore vineyards since Gibson's 1969 dissertation on the history of the wine district. The earliest thesis is DeNier 1929, anecdotal in nature. It should be noted that many figures cited in these theses are inaccurate and the tendency is for an author to magnify the data drawn from a prior source.
Chapter 2:

1. In June 1982, Brian Welch, a graduate student at UC Berkeley submitted a report to the Alameda County Planning Dept. entitled "Livermore Valley Vineyards Study." It summarized the historical background and current status of vineyards and the principal factors influencing the use of prime vineyard lands, including recommendations for County action. The primary focus is on the conversion of vineyard soils to urban uses. His emphasis is county policies will play the decisive role in determining the areas viticultural future. He states: "County land use and zoning policies differ substantially in their influence on prime vineyard lands; some policies promote the retention and expansion of vineyards, while others fail to discourage conversion." His is the most recent study of the vineyards, prior to Livingston. Alameda county used his report as an update. [See Welch 1982:1]

2. The SLVS "Study Area" was created by the Alameda Co. Planning Dept. staff to delineate the boundaries of predominantly agricultural and other "cultivable" lands in the South Livermore valley where in terms of physical feasibility of development, almost 5900 acres of vineyards and other lands classified as suitable for viticulture would also be the easiest to develop, owing to the proximity of urban infrastructure. About 7,400 acres of "non-cultivable" lands is suitable for cattle grazing. Of these, about 4200 acres are suitable for rural residential uses at very low densities (including lands in the arroyos and on slopes exceeding 30 per cent gradient). These areas do not have equal potential for development. The southwest and southeast area are least constrained by topography, and potentially are the most suitable or residential development. In the south central hillside area, excluding unbuildable lands with slopes over 30a per cent about two-thirds of the remaining lands have slopes of 15-30 per cent. In those areas, development at urban densities would involve extensive grading and scarring of the slopes. Livingston compiled data showing potentially developable acreage: to evaluate the possibilities of devoting cultivable lands to agriculture, he examined the development potential of non-cultivable land. Another 4500 acres were determined to be "suitable for vineyards".

3. Note: italics mine. According to common legal theory a "rebuttable presumption" is simply a rule that can be challenged and under certain circumstances be disproved by some test predicated on real situations. In attempting to draw defensible lines between suitable and unsuitable viticultural lands: "where convincing evidence of its invalidity is presented, the line should be revised." [Livingston 1989A:19]

4. The history of Santa Clara (Valley) County is instructive. During the 1960s, rapid urbanization of this primarily agricultural valley, once proclaimed the Valley of the Hearts Delight, was characterized by leap-frogging development and progressive urban sprawl directly impacting agricultural lands, inflating their prices owing to speculation and converting them to non-agricultural uses. Then Planning Director, Karl Belser, proposed containing urban sprawl in the valley by guiding development away from prime aglands. He pioneered the concept of an urban limit line and encouraged the use of Williamson Act contracts to limit urbanization. Unfortunately, the rapid growth of San Jose has developed most of those lands. Now, however, a new Open Space Assessment District in Santa Clara County will formally adopt policies to designate those lands where development is allowed and retain the balance of land as open space, instead of vice versa, which has been standard practice.
5. Since the focus is on residential development the various density levels to be considered are in order of ascending density: large-lot residential development (20 acres), ranchettes (2-5 acres) and, urban density residential (2-3 units per gross acre). Assuming 35 per cent of the land devoted to streets and community facilities, the holding capacity could be as high as 5,500 units at 2 per acre or 8,200 at 3 per acre. If ranchettes are considered the alternative, which would require imported water supply and connections with sewer systems, and assuming 20 per cent of the buildable land is streets and community facilities, the net holding capacity would be 670-1,680 housing units. Note: in some states such as Minnesota and Pennsylvania, "fixed area-based allocation districts" are zoned, whereby if the "fixed area" was 40 acres and the ownership was 400 acres, then 10 housing units would be permitted. Alameda Co. formerly had a "cluster zoning policy" in the "A" District similar to the "fixed area" district.

6. Quantifiable criteria include the following: (1) The amount of disturbance by grading and clearing vegetation; this transforms the appearance of the natural landscape and can also disrupt drainage patterns, soil stability, plant and wildlife habitat, and other natural factors; (2) The amount of coverage by impervious surfaces (e.g., driveways, parking areas) affecting storm run-off, decreasing the groundwater replenishment; (3) The density of development and intensity of use (e.g., guests, visitors, site users); (4) Traffic generation; (5) Energy consumption; (5) Water consumption and waste water generation; (6) Aerial emissions (note: the level of air pollution and sensitivity of varietal wine grapes); (7) Toxicity of wastes; (8) Projected service costs and revenue to public service agencies. Non-quantifiable criteria: (1) Sensitivity to particular features of cultivated agriculture; (2) Location (compatibility with neighboring uses; (3) Adequacy of the site area (floor area ratio). As in the case with location, each conditional use proposal will have to be judged on its own merits; (4) Visual prominence: the optimum site for a development project is the least visually prominent one, though a building with notable architectural distinction may add to a landmark distinction (e.g., Sterling Winery in Napa Valley); (5) Building bulk and design; (6) Landscape design; either by taking advantage of terrain features or by significantly enhancing the landscape by man-made projects; (7) Developers' willingness to pay the costs of infrastructure and other necessary public services; (8) Direct socio-economic benefits and disbenefits; and overall scale of development. The consultant observes that "wine country commercial uses" (inns, bed-and-breakfasts, restaurants, etc.) depend much for their success on close relationships with the "ambiance" of the vineyards and wineries (e.g., Wente Sparkling Wine Cellars restaurant). [Livingston 1989A: 54]

7. Boutique vineyards or wineries are a small winery with a capacity of less than 20,000 gallons. Not every vineyard can be expected to have a winery. Many, if not most, vineyards crush grapes both on and off-site. Most small Napa Valley vineyards do not constitute the principal source of income and are called hobby farms, not to be confused with wine-country commercial outlets: gourmet food shops, inns, and bed-and-breakfasts. It is the belief and hope that new entrepreneurial skills and capital will bring a revitalized wine industry to the Livermore Valley. One such person taking the lead is Thomas Coyne who will open up his own operation in making a number of wines which he has been noted for. As of July 1994, there are 14 wineries in operation or going into operation.
8. At an Alameda County Planning Commission hearing on the Livermore-Amador Valley General Plan (June 1988), Phil Wente of Wente Bros. submitted a "Viticultural Policy Statement" which included a declaration that vineyards of 3-20 acres would be practical for investment purposes; greatly strengthen the base of the wine industry, providing marketable quantities of grapes to outside wineries. Livingston observed, however, that the demand for small ranchette sites "may offer landowners more attractive prospects for cash return" but there is no assurance that once they are subdivided, small acreage sites will be in vineyards. Livingston argues that due to start-up costs, most purchasers would let their ranchette lie fallow and utilize the land for rural homesites, stables, corrals, and perhaps an orchard or vegetable garden for home consumption. [Livingston 1988B: 28]

9. According to the CAC's "Resolution of April 10, 1989": several areas would be removed from the Study Area; including Area X - which includes quarry lands along the Arroyo del Valle and other small parcels on the western edge; Area Z - includes Sandia Labs and associated "buffer area", the VA hospital and Sycamore Regional Park. Designated Planning Areas in the "Plan Outline" include: "A" - "Ruby Hills" (1,300 acres); "B" - Kalthoff-Detjens-Crohare property (1200 acres) [note: Mr Steve Kalthoff became the Chairman of the CAC]; "C-1"- Cresta Blanca-Owens property; "C-2"; "D", "E", and "H" - Hillside areas - 30\%slope (about 2,500 acres) not suitable for development and is of "marginal value" for viticulture. The CAC proposed that "development in each area would be judged according to a set of standards ... (which) would include the preservation of a set proportion of the land for intensive agriculture through conservation easements." And "to encourage more intensive agriculture in the Study Area all new development would be subject to a $1.00 per square foot fee on all new non-agricultural construction in the Study Area. Money generated by the fee would be used to promote agriculture in the area, through marketing enhancement of the agricultural water supply, a land trust or other methods."

10. As of 1990 Napa Valley had a total of 33,194 acres in vineyards and 200 wineries. [California Agricultural Statistics Service (CASS)] Between 1980 and 1990, CASS estimated that total acres in vineyards in Napa County increased 26 per cent, while in Alameda County the total acres in vineyards decreased 16 per cent. Nevertheless, while the grape acreage in Livermore Valley has declined, the wine industry thrives even though there are only ten wineries in operation, most notably Wente Bros. Most viticultural lands are in protected status under the Williamson Act, which grants tax relief, thereby taking some financial pressure off remaining vineyards. Some 9200 acres in the Plan Area are under the Williamson Act.

11. The California Land Conservation Act of 1965 is one of several regulatory alternatives effectively in use in the Livermore valley, where about 60 per cent of the Study Area remains subject to Williamson Act agreements. As of 1989, about 7000 acres were under contract with "non-renewals" not filed. In terms of evaluation to other methods, continued use of Williamson Act contracts are equitable to landowners and have no adverse environmental effects and does not rely on economics; it only depends on a minimum site area requirement. However, its long-term effectiveness will depend on improving the economics of agriculture in the south Livermore Valley.
Livingston observed the prevalence of Williamson Act contracts on virtually all open lands except those in the western portion of the study area "is remarkable for lands so close to the path of urbanization. Expansion of the program onto the western lands, particularly those suitable for viticulture, would be an appropriate preservation measure." Another type of public assistance worth considering is a limited County subsidy to water users in a new irrigation district. "If the County were to sponsor formation of an irrigation district to make South Bay Aqueduct water accessible to potential cultivated farmlands, apparently there would be no legal obstacle to the County's making direct financial contributions to help pay the capital cost, or to appropriating a loan guarantee fund to assist growers who must borrow to pay assessments."

12. There are five principal methods for preserving agricultural and other open space lands: (1) exclusive agricultural use zoning and/or large minimum parcel size requirements ("large lot zoning"); (2) tax concessions and other types of public financial assistance; (3) purchase of development rights, otherwise known as conservation easements or open space easements; (4) local farmland trusts; and (5) development credits transfer or "transfer of development rights (TDR). Various combinations of these methods were also considered possible remedies.

13. Note: underscore my emphasis. Different formulas for the allocation of credits have been used in existing and proposed TDR systems. The simplest formula is one which assigns credits solely on the basis of acreage preserved in open space (eg., one credit per 10 acres). Livingston also observes that to assure equity, the formula may reflect the zoning prior to the new regulation (eg., for a 100 acre minimum site area requirement on ranches A and B and prior zoning had prescribed a 20 acre minimum on ranch A and a 5 acre minimum on ranch B, then 5 credits per 100 would be allocated to ranch A and 20 credits per 100 acres on ranch B). [For discussion of TDR system, see Livingston 1988C: 2:16-22]

14. Steve Kalthoff, a long-time resident of Livermore and owner of a major parcel of the vineyards in the vicinity of Ruby Hill, is the President of the Livermore Winegrowers Association. He became the Chairman of the Citizens Advisory Committee and has now served on the Steering Committee of the proposed Land Trust. He has been a leading spokesman for the local wine industry and has been instrumental in guiding citizen efforts in the valley. He did a comprehensive critique of the Livingston study and kindly shared his notes.

15. The CAC agreed with this observation. The problems with implementing a TDR are numerous: "Assuming that credits could be equitably assigned in 'sending areas' and, further, that there were a uniform level of demand for development credits, their value could vary in direct proportion to the total number that were allocated. Giving out credits for which there is little or no foreseeable demand would be akin to printing Confederate money. It is a rare situation in which a county like Montgomery County (MD) can distribute almost 20,000 credits at one time without undermining their market value. (It) can do this because of its rapid local growth rate." [Livingston 1988B:2:36]
16. The Plan specifies the number of credits that can be absorbed within the study area depend not only on the amount of development permitted but also on the requirements for acquisition of credits. Once issued, "credits could be traded on the open market without county intervention, with supply and demand factors setting the price. ... transactions could be handled by realtors."

17. These prerequisites are findings in the study which should be based on prescribed quantifiable and non-quantifiable criteria. Quantifiable criteria include: amount of disturbance by grading, etc.; amount of coverage by impervious surfaces; density of development and intensity of use; traffic generation; energy consumption; erial emissions; toxicity of wastes; and projected service costs and revenue. Non-quantifiable criteria include: sensitivity to particular nuisance features of cultivated agriculture; locational attributes; adequacy of the site area; visual prominence; building bulk; landscape design, socio-economic benefits; and overall scale of development.

18. See Livingston 1989A:35. In an article entitled: "The 100-acre question" (2/17/93) the long-standing issue of the A-1 agricultural zoning is addressed. It is retained in the East County Area Plan which maintains the 100-acre minimum parcel size for agricultural land, and adds stricter requirements or large parcel "splits". Starting about 1982 property owners began asking for some flexibility in the county's general plan. As one property owner stated: "All your life savings are tied up in your land and you need some way to weather the hard times." The goal was to be able to sell off parcels smaller than 100 acres mostly to family members, to make a little money and provide another homesite for a relative. The County, however, is intent on keeping large parcels intact to keep grazing and dry farming practical operations. It has been suggested that another flexibility is to let landowners use their land for "pick-our-own" fruit farms.

The new County plan allows one subdivision provision for large landowners: parcels of 400 acres or more in size can be split, if there is a good reason for it, into four 100 acre parcels, Four homes could be built and clustered on 20 acres and the remaining 380 acres would be in a permanent agricultural easement. But other landowners insist that such easements seem almost the same as confiscation of the land and therefore unconstitutional. A similar plan known as the "Mary King Plan" led to pending court battles with landowners and necessitated a restarting of the planning process. Mark Evanoff, Director of Greenbelt Alliance argued that "Once you start subdividing agricultural parcels, it's very hard to put them back together again". (See Footnote 20)

19. The State of California "Farmland Mapping and Monitoring Program" was initiated in 1982. It derives all data from "soil survey information" available through the Soil Conservation Survey's "Land Inventory and Monitoring Program" (1975) from the SCS. Both "Prime" farmland and lands of "Statewide Importance" must be irrigated and cultivated to be considered. All criteria including "soil units" are both field checked and photo checked. By law the FMMP reports biennially to the Legislature on farmland conversion, grazing land, and to provide maps-data to local government and public. The FMMP process integrates public review, aerial photo interpretation and a GIS mapping system. Two scales: County maps (1:100,000); and Field Sheet Overlays (1:24,000).
20. The "Livermore Valley Appellation" was established in 1981 by the Bureau of Alcohol, Tobacco and Firearms. This was the basis for Welch’s Vineyard Study. In 1990, Wente Bros. Vice President Carolyn Wente petitioned BATF for a new appellation, "San Francisco Bay" as an American Viticultural Area (AVA) under the rules of the Treasury Dept.

21. The concept of an "urban limit line" was from the office of Supervisor Mary King, as part of an agenda to establish a greenbelt around the city of Livermore. Supported by such groups as the Greenbelt Alliance and the Sierra Club, the idea was to draw a line around the city limits of Livermore within which all urban development would be contained. It became known as the "Mary King Plan" but met serious opposition by landowners in the area who threatened lawsuits with the County. The Board of Supervisors failed to adopt the Plan.

22. The Environmental Resources Management Element is part IV of the Livermore General Plan (adopted 1976). It combines four mandatory and one optional element of the G.P., including Open Space, Conservation, Recreation (optional), Seismic/Safety elements. Conservation, Safety and Open Space are still mandatory. The ERME is dated both in text, format, and focus of State planning law. Many of the policies are still on point and will be preserved; however new policies will be incorporated in a new G.P. now underway. According to Eric Brown, Livermore's senior planner: "This update will lead to replacement of the ERME by a different approach and one that emphasizes implementation as well as policies in the abstract." [Personal communication 3/28/94]

23. In a TDC system, the total number of units built cannot exceed maximum number that could be granted to "sending" areas. It is legal in California but seldom practiced. In the Livermore Valley, the TDC system will preserve 100 per cent of agricultural acreage for the life of the program, will maintain all sites as contiguous, but the acreage expanded is unknown. Administrative costs would include: revising zoning ordinance, record-keeping, and permitting. Economic feasibility is limited, but equitable to the landowners. Adverse environmental effects include: traffic and air quality problems; the need for new infrastructure will require full urban services in the receiving area. Non-renewal or cancellation of Williamson Act parcels are needed in the "receiving area." [Livingston 1989:10-11]

24. "Credits would be allocated on a basis reflecting the development potential of lands in the preserve and, therefore, their approximate value at the time that the development rights are granted to the county." Two other formulas for development credits are proposed in the operation of the TDC: both would grant the same number of credits (one per acre) where development pressures are strongest, but allocations would be doubled in other sending areas. [Livingston 1989B:21]

25. The aim of the Citizens Advisory Committee's Alternative was to promote agriculture based on the use of fees ($1.00/square foot). Implementation would result in significant funds accruing to a proposed Land Trust. Assuming a 4000 square foot average home size, it could generate over $7.5 million. This original idea of the trust proposal can be attributed to Patience Rogge, past President of the Friends of the Vineyards.

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26. The problem with a No Project Alternative is it relies on traditional zoning to preserve agriculture. Planners consider this viable in the short-term, but provides no guarantees for long-term protection of existing agricultural resources nor provides any incentive for agricultural expansion.

27. The original work program called for the preparation of alternative land use plans based on factors of: ownerships, current land use, soils, terrain, water availability, water quality, current and potential agricultural productivity, adjacent land uses, distance from urban development, current and potential accessibility, current and planned infrastructure, current and potential public services, and costs of providing new infrastructure and/or public services.[Livingston 1989:17]

28. The laws on the books include: Planning, Zoning, and Development Laws (Govt. Code 65000 et seq.); General Plan law (Govt Code 65300 et seq.); Subdivision Map Act (Govt Code 66410 et seq.); CEQA (Public Resources Code 21000 et seq.); The Coastal Act (Public Resources Code 30000 et seq.); The Community Redevelopment Law (Health & Safety Code 33000 et seq.); Cortese-Knox Local Government Reorganization Act (Govt Code 56000 et seq.). These laws form the core of California planning.

29. The power to regulate the use of the land stems ultimately from the U.S. Constitution, namely the Tenth Amendment. In accordance with the "reserved powers doctrine", powers not specifically granted to the Federal government are reserved by the states, and this includes "police power". In order to achieve a broad public benefit. In California, local governments exercise police power over land uses only because the state government has delegated that power to them (Article XI Section 7 of the CA Constitution). California has two types of "general purpose" government: cities and counties; there are also many "special districts" formed to supply a specific purpose. Some unincorporated areas form "community service districts". Both city and county exercise power over land use issues. Cities control land use within city boundaries. Counties have control over land use outside city boundaries in "unincorporated areas" and responsible for rural areas.

30. All early zoning ordinances were concerned with one primary goal: preservation of the single-family neighborhood. Therefore all land uses were separated, and evolved into a system of "cumulative" zoning in a pyramidal structure with industrial property at the bottom and single-family houses at top. The effect was that anything could be built in the industrial zone; in the commercial zone, anything could be built except industrial uses; in the single-family zone, nothing could be built but single-family homes.

31. The "Coastal Act" established special planning requirements for coastal areas and created a powerful state agency, the Coastal Commission, to oversee all coastal planning in the State of California. It was subject to a Supreme Court test in 1987: Nollan vs California Coastal Commission (483 U.S. 825) which struck down the Coastal Commission ruling in favor of the Nollan property but only served to reimpose strict requirements that there a "direct nexus be established between the project proposed and the exaction required" [The concept of exacting concessions from developers in exchange to build is an old practice, but only since the passage of Proposition 13 in 1978 has it become a major instrument of planning policy in California.
32. As with general plan law, the Governor's Office of Planning and Research is required to prepare guidelines for CEQA on a regular basis. While the General Plan Guidelines are advisory, however, the CEQA Guidelines are binding on local governments. Guidelines have grown from an initial ten pages in the early '70s to over 200 pages now.

33. CEQA's litigious nature has two consequences: "First, citizen groups (environmentalists, homeowners, and so forth) have used CEQA litigation to obtain tremendous power over land-use planning and, especially, the review of particular development projects. Whether or not they have true environmental consequences, citizen groups can usually find some hook under CEQA that they can use to take a project to court. As a result, citizen groups often succeed in stopping a project, slowing it down, or forcing changes to it. Second, the vast amounts of CEQA litigation has given the courts an unusual opportunity to shape the law and how it is used throughout the state. Since its passage in 1970, CEQA has generated more than 200 appellate decisions, the vast majority of which have expanded CEQA's scope and requirements." [Fulton 1991:151]

34. Fulton observes that "If the initial study reveals that the project will have no significant environmental effects, then the local government prepares a document known as a 'negative declaration', a simple declaration that no further environmental review is needed. Sometimes, if a developer can eliminate all significant environmental effects by changing his project or adopting mitigation measures, the local government will prepare what is known as a 'mitigated negative declaration' -- meaning certain steps must be taken but no further environmental review is necessary." [See Fulton 1991: 156]

35. In the Case of Goleta Valley, the Court ruled that "alternative sites could not be considered if the private landowners involved don't have a feasible chance of purchasing the land." The Court of Appeal had ruled that many alternative sites should have been seriously analyzed. But the Supreme Court concluded that there is no point in analyzing alternative sites if the landowner in question won't be able to use them for the proposed project. However, the court did say that when feasible alternative sites are available, an EIR should consider them even if the project is private." [See Fulton 1991:167]

36. If an EIR report identifies significant environmental effects the governmental agency, the County, has four options: (1) deny the project; (2) approve an environmentally preferable alternative to the project; (3) approve the project but only if mitigation measures are adopted; and (4) approve the project in spite of environmental effects. Nevertheless, a "no project" alternative is required under California law. A statement of overriding considerations is the escape valve which permits a local government to approve a project in spite of environmental damage(s). In theory, such a statement may be adopted only if it is supported by "findings". Fulton observes: "In practice, overriding consideration are often used when a project's environmental damage is significant but local officials have other reasons ... tax benefits ... political reasons ... for wanting to see the project approved. In many cases, the findings are skimpy because the environmental damage is well documented but the supposed benefits of the project are not." CEQA has been perceived as a "paper tiger" which generates a lot of information at major cost, but which doesn't necessarily safeguard the environment. [Fulton 1991: 168-170]
37. The Development Agreement is a contract between a city or county and a developer. "The local government gets a legally binding promise that the developer will provide infrastructure and/or pay fees required by a new project. In return, the developer gets a legally binding promise that he will be able to build the project, even if the locality passes a growth-control initiative later on. More than 500 development agreements have been used in California, ranging from 10,000-unit subdivisions with 20-year buildouts down to single buildings that will cover only a few acres." [Fulton 1991: 201]

38. The concept of development rights is based on the principle notion that a landowner's property rights can be separated from the property itself. Property rights are protected under law with the landmark case of "First English (Church) vs County of Los Angeles (1989) Example: A developer owns a piece of farmland, zoned for residential use at six homes per acre, with a market value of $100,000 per acre. In economic terms, the developer has two separate property rights. First is the farmland itself, which is worth perhaps $10,000 an acre as farmland. ... second is the right to build six houses per acre, which adds the other $90,000 per acre to the value of the land. A government agency can preserve the land as farmland by paying the developer $90,000 an acre for the development rights, or by allowing the developer to transfer the development rights somewhere else. [Fulton 1991:197]
Chapter 3:

1. The Area Plan boundary was drawn with the intent of including as much of the flatter, potentially cultivable lands to the south of Livermore as possible, while following property lines. In general, the northern boundary is defined by the current Livermore city limits, extending west to Pleasanton to include properties along Vineyard Ave., and extending east to 1 mile beyond Greenville Rd., excluding the (LLNL) national laboratory. ... The south and east boundaries generally follow the base of the hills that define the southeast edge of the Livermore Valley (following property lines). "Located at the southeast edge of the so-called Tri-Valley region (including San Ramon, Pleasanton, and Livermore) constitutes the primary competitive market area for residential development. Compared with the rest of the region, however, Livermore has grown at a much slower rate. According to ABAG, the Tri-Valley region is projected to increase by 57,000 households over the next 20 years, reflecting a continued dynamic pace of growth.

[ note: all citations are referenced to the document, including the Draft EIR and Final EIR, hence, SLVAP-DEIR 1992 and SLVAP-FEIR 1992. The County also issued a Revised Draft of the SLVAP concept in 1992. ]

2. Potential development levels do not reflect entitlements or endorsements of particular land uses, nor existing county or city policies. Instead they are "estimates of the highest level of development for each category of land use." Furthermore, the maximum development potential for each category is not additive: i.e., "maximum rural residential and agricultural development would preclude the maximum development of urban uses, and vice versa. However, because environmental impacts vary according to land use, maximum development in each category (is) estimated separately." [See DEIR-SLVAP-III-6]

3. All new residences and commercial establishments would be subject to site development review, with the following subject to approval: wineries, bed-and-breakfast establishments, and other appropriate small-scale commercial uses would be conditionally permitted with the "Vineyard Area". In theory, the minimum goal of 5000 acres of vineyards or other cultivated agriculture could be achieved with as few as 106 new rural residential dwellings, in addition to existing and approved development in the Plan Area. However, as the Area Plan EIR states: "it is more likely that the proposed Plan will result in a combination of land uses, including rural residential/vineyard development, urban development within the "Transitional" areas, and urban development adjacent to ... Livermore in the Vineyard Area." [DEIR-SLVAP-III-4]

4. Site development review standards include: (1) Parcels that include, or are adjacent to, arroyos shall maintain a minimum and undeveloped buffer, as measured from the top of the bank; (2) "Building site envelopes" for homes will be designated on the 10 per cent portion of the parcel outside the required 90 per cent set aside for agricultural areas; building site envelopes will not exceed 25 per cent slope; (3) New development will be designed to minimize risks to life and property through the implementation of the provisions of the Alameda County Fire Protection Master Plan; (4) The location of building envelopes, parcel lines or cultivated agriculture will not conflict with or preclude proposed LARP D trails; and (5) Any historical structures on-site will be preserved and/or reused; the project is designed to ensure new development will not disturb any sites.
5. To recall from Chapter 2, CEQA Guidelines require that an EIR describe a range of reasonable alternatives to a project and evaluate "comparative environmental impacts" of these alternatives. The Guidelines also require evaluating impacts of the "no project" alternative and the designation of an "environmentally superior" alternative. Four "possible alternative land uses" have been proposed in the Plan Area: (1) The Preliminary Draft Plan, first proposed by the County (1991), representing a higher level of development; (2) Citizens Advisory Committee Alternative, proposed in 1989, representing similar development levels but in different locations and with different requirements; (3) A Viticultural Zoning Alternative, permitting 20 acre zoning at lower levels; and (4) No Project Alternative.

6. The Draft Report was mandated by the County to conduct its analysis of the Plan in terms of estimating (1) the economic incentives that would be created by the proposed plan; (2) the costs of mitigation required; (3) the range of values that would most likely result from the land use alternatives proposed; and (4) assessing the probability of the desired land use changes occurring to determine the feasibility of achieving the Plan's Objectives. The study does not address the market for commercial development such as a Wine Center nor does it discuss in detail the role to be played by a proposed Land Trust.

7. The "Mitigation Monitoring" Program is required of all EIR documents and is mandated as part of the Resolution; prepared in compliance with Section 21081.6 of the Public Resources Code. It requires that a reporting or monitoring program be adopted for measures that will mitigate (or avoid) identified significant effects to the environment. Monitoring is not required for impacts that are not significant. A synopsis of the land use impacts are included, together with elements of geology, seismicity, soils, hydrology, water quality, vegetation and wildlife. The mitigation measure is spelled out and the monitoring time frame and requirements are made known. Finally, the agency responsible is cited, which in this case is primarily the Alameda County Planning Department, which assumes the "lead agency" role in the implementation of the Program.

8. The original Ruby Hills vineyards were located on a 300 acre parcel in the northwest corner of the proposed project site (planted by J.Crellin and Sons in 1889). The abandoned vineyards were under the ownership of Hagemann and planted by E. Schween in 1893. Other property in the site area is owned by the Roman Catholic Church, called "Genesis Farm", which includes dry/vegetable farming. Ruby Hill is historically significant as a premium Zinfandel wine grape growing area and one of the most important wine-growing areas in the Livermore Valley region. The property was acquired by Computerland Corp. in 1982. They uprooted almost 600 acres of vineyards, but the project to build the headquarters office never succeeded. Now a mix of uses are proposed as part of the new Ruby Hill project, including a championship 18-hole PGA golf course (designed by Jack Nicklaus); some 1000 estate homes and a vineyard/winery complex operated by Wente Bros. The developer has been approved for 850 dwelling units with specific plans for some 10 to 19 vineyard estate parcels of 20 acres each for either a private residence, Bed-and-Breakfast establishments or even a boutique winery in conjunction with a residence on the premises.
9. I contacted the City of Livermore District Attorney's office in June 1992 and asked about further details of the suit. I said I didn't know that the City could file suit against the County. His response was: "Oh, yes, we do it all the time!" City Attorney Thomas Curry stated in a letter (5/12/93) that it was his main goal to put together a settlement of the lawsuit. "It was this settlement that eventually resulted in the adoption of the plan. During the process ... I was most struck by the fact that it is both essential and possible for an interested city and a county to jointly plan county areas surrounding a city. Prior to this effort there has been very little of that cooperation between the City of Livermore and the County."

10. The Ruby Hill project "is consistent with the objectives for the PD District because the proposed country club community would be constructed according to a set of rigid design guidelines, covenants and restrictions." A General Plan Amendment is necessary to reclassify the land from agricultural to suburban low-density residential. The project would be consistent with surrounding uses because of the extensive amount of open space and recreation facilities to be provided. About 446 acres, or 34 per cent of the total project area, is devoted to open space uses and recreation amenities; including 220 acres for the golf course and country club; 220 acres of vineyard lands with space for two wineries and a 26-acre neighborhood park. [Draft EIR-Ruby Hill Development-General Plan Amendment..., by EIP Associates, 1989: 13]

The PD County Zoning Ordinance states that it is the intent for residential development to encourage the arrangement of a compatible variety of uses on suitable lands in such a manner that resulting development will: (1) Be in accord with the policies of the General Plan of the County of Alameda (Livermore-Amador Valley Planning Unit); (2) Provide efficient use of the land that includes the preservation of significant open space and natural and topographic landscape features with minimum alteration of natural landforms; (3) Provide an environment that will encourage the use of common open areas for neighborhood or community activities and other amenities; (4) Be compatible with and enhance the development of the general area; and (5) Create an attractive, efficient and safe environment.

11. Conservation easements will govern the density and intensity of use in terms of the ratio of size to scale allowed in the agriculture/viticulture area. For example, bed-and-breakfast facilities are restricted to four units each (2,700 s. ft. maximum for each B&B), unless a "clustering" project is proposed. If clustering were to occur, this would still not increase the number of B&B facilities allowed. Under the easements, wineries are restricted in size to 30,000 square feet and a 40 foot height limit. In the long term, the project may see development of five wineries in the project area. This estimate is based on the ratio of vineyards to wineries that occur in the Napa and Sonoma appellations. Wineries are agriculturally-related industrial class facilities and will be subject to obtaining a use permit. In this case, policy dictates only conditional use permits to operate. (Note: An additional area of about 109 acres contiguous to city limits would be designated for urban low residential development, based on the City Council Housing Implementation Program which establishes a geographical reserve for future housing needs.)

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12. A complete itemized list reflects positive inducements for County cooperation that benefits the region and not just one city or another. It entails a legal settlement by all parties wherein the developer contributes financially to the Area Plan in general. County Planning listed the following benefits to all:

(1) Resolution of any challenge to the General Plan;
(2) Removing impediments to the Ruby Hill project and increased cooperation between the County and the two cities re: South Livermore valley;
(3) Buy-in by the two cities to mitigate loss of agricultural soils in the southern valley with planting of new vineyards and/or payment of fees as conditions of residential development;
(4) Buy-in by the two cities to formation of a South Livermore Valley Agricultural Land Trust, to be funded by mitigation fees;
(5) Acceptance by cities of the validity of using agricultural easements to protect agricultural resources;
(6) Acceptance by cities of 20 acre parcels to stimulate additional plantings;
(7) New plantings of over 450 acres protected by "agricultural easements";
(8) Significant impetus to creation of a wine region from restoration of two large wineries and development of a world-class golf course;
(9) Funding for and construction of proposed realignment on Route 84;
(10) Development of a model reverse-osmosis sewage treatment plant that could be a potential source of irrigation water for agriculture;
(11) Increased tax revenue from a $750,000,000 project.

13. Since 1987, Livermore's General Plan allows for an average residential growth rate of between 1.5 and 3.5 per cent of the present population in a calendar year. The city formulates a three year housing plan through its Housing Implementation Program (HIP) to allocate the number of units built during a three year cycle. Between 1988 and 1990, the city's target maximum growth rate was 3.5 per cent; between 1991 and 1993, 2.5 per cent. The population is anticipated to grow to 73,100 by the year 2000 and 103,500 by year 2010 according to ABAG calculations; the housing capacity for city of Livermore under the existing Livermore General Plan is about 30,000 households. [SLVAP-DEIR-B1-3]

14. The speculative market for land is usually attributed to large developers who move into an area, buy the land, and in the face of development pressures, see the value of their land inflate to such a point that it is profitable to convert to urban (suburban) uses. Often such land is agricultural in use and this adds to the incentive of developers to buy out the farmer in order to realize maximum economic potential once development is approved usually outside a city's jurisdiction and in the rural environment but in close proximity to urban infrastructure. Population pressure in recent years has increased market forces.[Note: 1990 population of Livermore was 55,300; Pleasanton was about 52,000]

The City of Pleasanton General Plan designates the Ruby Hill property as "Agriculture and Grazing", prohibiting development except for the construction of a single family house on existing lots of record; it also recommended that the County's agricultural zoning be continued if Pleasanton annexed Ruby Hill.
Livingston observed that land values for different uses in the South Livermore valley indicate considerable uncertainty, which correlates with perceived risk. Investments with greater risk must yield higher rates of return in order to attract investors. To obtain a higher rate of return, the amount of money invested (the price investors are willing to pay or the land) must be lower. The value of land intended or residential development is a good example: land that carries General Plan and zoning designations for single family residential use (with 3-4 units per acre) commonly has a value in the range of $100,000 per acre. Land perceived to have potential for the same type of residential development but that does not have General Plan/zoning designations has been sold for $20,000 to 50,000 per acre.

Therefore, investors facing uncertainty will discount the value of the land by 50 to 80 per cent. "These regulations introduce substantial uncertainty into the marketplace, evidenced by a scarcity of land sales except on hillsides, which tend to be purchased or individual homesites at prices in the range of $2500-3000 an acre. ... The prices paid by investors who perceive a market demand for urban uses but are unsure of their ability to secure the governmental approvals required for development of the lands they purchase are significantly lower than those paid for land with the approvals already in place. ... And the expansion of urban uses in an area will affect the area's attractiveness to that segment of the market that places a premium on uniqueness; if too much development occurs, the area's environmental quality will suffer and the land will lose value accordingly." [Livingston 1988A:20-21]

15. Potential impacts resulting from new urban development adjacent to agricultural activities could be mitigated by Livermore or Pleasanton, for example, by a clause in the sales contract of each home indicating that the residence could be located near an agricultural operation, and that the home buyer recognizes that the property may be subject to noise, dust, odors or other impacts resulting from the operation. Here we are concerned with viticulture.

In terms of potential conflicts between existing sphere of influence and new urban development, such conflicts can be mitigated by Livermore by applying to LAFCO for amendment of the city "Sphere of Influence" to include relevant areas. Potential conflicts with new urban development and current Livermore and Pleasanton General Plan designations can be mitigated by Livermore and Pleasanton amending their respective General Plans to conform with the County's South Livermore Valley policies; allowing appropriate urban development in the area if it is linked to the preservation and enhancement of agriculture. In terms of the overall Plan objectives, the County takes the lead in the resolution of potential impacts and conflicts, but it does not assume either responsibility nor jurisdiction for mitigation against such potential impacts. It is up to Livermore and Pleasanton. This is part of the adopted Resolution by the County which amends the County General Plan and expects the cities to follow suit.
16. The economics of small vineyards are such with respect to the "minimum economic unit size" for a vineyard, "it has been said that are as many different standards set by experts as there are Agricultural Commissioners in varietal wine-grape growing counties. The minimum site area requirement in the highly successful Napa County Agricultural Preserve (AP) District is 40 acres. This standard was recommended (as) a reasonable minimum size to support a small winery, ... defined as one with a 20,000 gallon annual production capacity. [Livingston 1988B:10; 28]; Alameda County believes that parcels smaller than 40 acres may "result in the proliferation of 'boutique' wineries attracted by the prestige of the Napa region. The concern is that these small wineries do not use local grapes but import cheaper grapes from other areas. Napa County planners are also concerned about the influence of hobby vineyards on a vital viticultural district. The market segment for a small 20-acre vineyard with a residence is likely to be primarily "higher income buyers who want to trade in their homes in places like Pleasanton or a more rural lifestyle", which suggests that "most of these buyers will be hobby-vinters, with other occupations, who may not be interested in managing the vineyard themselves and will most likely contract with experienced growers to manage their vineyard ... landowners whose primary business is not viticulture ... may be less willing to weather set backs and adverse changes in the wine market." [Economic Planning Systems 1992:III-6]

17. Conflicts between residential and viticultural uses could ultimately create conditions not conducive to a viable viticultural district. Once again, in the opinion of Napa planners, the demand for vineyard estates, small vineyards with large expensive homes, has driven vineyard prices up, and therefore has increased the barriers to entry for new vinters. On the other hand, "there are potentially higher returns on a small vineyard if the grower can also produce and successfully market premium wines on site." [EPS 1992: III-6]

18. The Crane Ridge project was approved in 1991 by the Alameda County Board of Supervisors, permitting construction of ten homes on five parcels on a 184 acre site to the southwest of the intersection of Greenville and Tesla Road, Vineyards are required to be planted on 90 per cent of each parcel, with agricultural easements dedicated to the County. It appears from an economic standpoint that "it is more advantageous for owners of existing vineyards to subdivide than it is for owners of uncultivated land to plant grapes and subdivide. Not all owners of existing vineyards will be able or willing to subdivide; therefore, it is assumed that half of the existing vineyards, or 1000 acres, will be subdivided under the density bonus option. This would create 50 twenty-acre parcels from existing vineyards. ... added to the potential new vineyard parcels, ... this would create a total of 252 twenty-acre parcels. If all these 252 twenty-acre parcels were to be created and sold over a 20-year period, this would be equal to an absorption rate of 12.6 parcels per year. ... (over one a month). ... based on research conducted on the market support for small vineyard parcels, eight parcels per year is a more realistic absorption rate. An absorption rate of eight parcels per year would allow for the creation and marketing of 160 twenty-acre vineyard parcels over a 20-year period." [EPS 1992:V-10]
19. LAFCOs are mandated policy guidelines based on the "Cortese-Knox Local Government Reorganization Act of 1985" (as amended). As a "Responsible Agency" under CEQA, LAFCO relies upon the review conducted by each "Lead Agency" for each project; accordingly, or all annexation proposals, the applicant city or district must provide a "Plan for Municipal Services" within the affected territory. Under terms of Govt. Code 5000, LAFCO is required like other public agencies to comply with CEQA for purposes of considering the environmental impact of its actions. Each proposal must receive the appropriate environmental review for consideration by the Commission in making its decision; documents will include (1) Initial Study (2) Notice of Intent to Issue "Negative Declaration"; (3) a Negative Declaration; and/or (4) Notice of Determination. If LAFCO is a Lead Agency, the applicant must submit: a description of environmental conditions in the project area including topography, agricultural land, traffic circulation patterns and major water courses and water bodies; and a description of how environmental conditions might change as a result of the project. Examples: If any project has a potential to cause an adverse impact on fish and wildlife, a fee must be paid to the State Department of Fish and Game based upon the type of environmental determination that is made. In the case of a municipal service, such as the Alameda County Fire Dept., LAFCO accepted their "Master Plan" in February 1992 and in doing so approved the proposed reorganization "in concept" and directed that further evaluation and analysis be undertaken. LAFCO accepted a conceptual approach in the form of a "Long Range Organization" and a large geographical area service area to be managed by the new district.

20. Under CEQA law, LAFCO actions including SOI amendments are considered as "projects" and are subject to environmental documentation. However, SOI amendments are only boundaries and not discrete projects (with measurable impacts). An environmental review by itself will not serve as justification. LAFCO's primary criterion for reviewing and amending SOIs are the local agency's (Livermore or Pleasanton) willingness and ability to serve the area within the Sphere's boundaries. This means that a city's SOI should be the city's "urban service area boundary". Pleasanton's General Plan includes in its provisions an "Expanded Planning Area" as part of a policy to expand its influence into peripheral (unincorporated) lands. Pleasanton's "EPA" is in reality a "study zone" area. A study zone is not part of the General Plan; it has no land use/policies, unlike a "Planning Area". Pleasanton EPA represents the "ultimate physical boundaries" and "service areas".

21. Local citizen groups have long petitioned for a regional greenbelt encircling the Livermore valley, notably the Greenbelt Alliance which in association with other groups, notably Friends of the Vineyards have also campaigned against any plans for a toll road (up to six lanes) cutting through the heart of the south Livermore valley which would certainly affect the area in terms of cumulative traffic impact.

22. Livermore's community General Plan was adopted in 1976 and applies to a "Planning Area" of 89,000 acres, which includes both lands within the city limits and immediately adjacent to it. In 1987 a General Plan Amendment was adopted, modifying the city's "average annual population growth". An EIR done for this "Amendment" documents the impact of future growth for Livermore's "Planning Area". Livermore's General Plan has a stated "growth policy" which stresses "that future growth shall not exceed the community's capability to provide services".
23. Eric Brown, Senior Planner of the City of Livermore Planning Department has handled the bulk of the planning agenda affecting the South Livermore Valley and all the necessary city initiatives to foster the implementation of the SLVAP. He will be responsible for directing the work program for the next year, working with the Citizens Advisory Committee on all aspects of planning with certain city recommendations.

24. The Alden Lane (Transitional) Area is one of the residential land uses under the SLVAP, with up to 500 units on 250 acres. Potential new wineries is 20 @ 1,500 sq. ft. for all rural development. The commercial development that is approved for Ruby Hill is 50,000 sq.ft. including renovation of historical wineries, Ruby Hill, Fenestra, and possibly a new one. The emphasis upon Transitional Area is to provide a gateway to the winery and commercial development, including Bed-and-Breakfast/Inns, with up to 25 @ 2,000 sq.ft. The SLVAP intends to provide maximum potential for all categories to attract newcomers to Livermore Valley.

25. Conservation easements are subject to state statutes in addition to federal tax law. Some states recognize both easements in gross and those appurtenant, while others only recognize the latter. Appurtenant easements affect property adjacent to land owned in fee by the easement owner, while easements in gross are held by parties without adjacent property. California law recognizes two general easement categories: (1) open space easements; and (2) conservation easements;

These easements differ as such: open space (scenic) easements can have many broad purposes; conservation easements are for the preservation of natural, historical, and agricultural resources. Open space easements can be accepted by both public and nonprofit recipients; conservation easement laws specifically focuses on private nonprofit recipients. Open space easements must be in conformance with the local plan and are subject to local agency approval; conservation easements are subject to neither restriction. As a concept in property law, the easement is very flexible and the term can vary. However, due to federal tax law requirements, such interests are typically granted in perpetuity and are said to "run with the land". Despite their theoretical perpetuity, conservation easements may not be perpetual. Local conditions may change, rendering the original conservation easement obsolete; or the property owner may take legal action to free the property for other uses. [See The Nonprofit Primer: A Guidebook for Land Trusts 1992:81].

26. The City of Livermore Planning Commission, acting on the issuance of a "Negative Declaration" by staff, proposed two modifications to the text of the General Plan Amendment, eliminating the reference to a specified range of development (i.e., 1,200 to 1,600 residential units); and to "generally" follow specific SLVAP policy towards "land classified as having the better quality soil". This allows for Livermore some flexibility in its own "policy goals and implementation criterion."

[City of Livermore, Staff Summary Report 8/3/93]

27. To quote Alex Miller, reporter for The Independent in Livermore (8/11/1993). This weekly newspaper covers current land use and environmental issues facing the Livermore Valley, featuring editorials on the state of planning policies, particularly between the county and Livermore, and regional issues affecting the Tri-Valley region.

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28. Mike Gatzman, Wente Bros. Projects Manager is one of several employees working to promote the "Vineyard Trails" development concept as a residential planned community, involving large-scale recreational and other resources for advertising the benefits of living and working in the Livermore wine country.

29. For clarification, I contacted Mr. Ralph Rivas, Vice President of Vineyard Operations. He concurs with this view but insists that Wente Bros. does not lessen the importance of soils in viticulture. He complained that the newspapers portray this as negative, whereas Wente Bros. is in the forefront of improving the soils as part of vineyard management regardless of soil type. [Personal communication 8/20/93]

30. Gloria Taylor of Retzlaff Vineyards related that when she visited France, she expected to hear that "soil quality" has become an outdated principle, but learned instead that it remains "a bedrock of French winegrowing" [The Independent: 8/18/93:p.2].

The "terroir" principle is from the French (which sounds like it refers to the ground beneath) and is based on the set of conditions that gives a vineyard its uniqueness: grape variety, soil types, geological formations, exposure, topography and climate surrounding the vineyard (micro-climate). It even implies a certain degree of influence by human control: how the producer treats the vineyards and the fruit after it is picked, based on tradition and experience. [See Peters 1989:21]

Note: While some wine experts may invoke the term in the form of a debate: nature (terroir) vs. nurture (viticulture/enology), in determining wine quality it can probably best be summed up as follows: "What makes each piece of ground unique, at least with respect to viticulture is its combination of weather and climate, soil, and exposure to natural hazards, a combination summed up by the French in one word, terroir" [Gary Peters: Wines and Vines of California 1989:21]. Another wine interpretation may describe the character of a wine (its personality and distinction) as follows: "If one made three wines from three contiguous vineyards, harvested at the same time of ripeness and vinified and matured identically, but all with different terroir, one would end up with three diverse wines. Each would reflect its unique origins." [Joel Butler, wine consultant Contra Costa Times]

Robert Betz, director of enology for a major Washington winery believes there are examples of "prime terroir", such as the Columbia Valley in eastern Washington state. This would be comparable to the Medoc region of Bordeaux, France, which is the historic home of the finest cabernet blends. Betz claims that an ideal terroir comprises a soil composed of high percentage of sand or gravel, moderate to deep depth, low fertility, low water-holding capacity and high permeability, a southeast exposure, and moderate to fairly steep slopes. Viewed in such terms, the Columbia Valley of Washington tops the Napa Valley as a prime terroir region. It is actually closer to the South Livermore valley.

31. Tom Lane, Head Winemaker at Concannon Winery adheres to the view that soil differences are important from vineyard to vineyard and disagrees that Livermore has successfully produced quality grapes on all of its soil types. His retort to Wente Bros. whose Project Manager is: "He's not a grape grower." [The Independent 8/11/93]
32. Barbara Stear, of Friends of the Vineyards, has been chairperson of the Land Use Committee since the beginning of the South Livermore Study and has always been at the public hearings advocating a strict adherence to the nature of prime viticultural soils; "The goal before us should be preservation of the prime vineyard lands of the valley -- locating any housing of these soils and reserving them for grape growing" from her most recent letter to the attention of the Planning Dept. (8/1/93)

33. Ralph Rivas has been responsible for the management of Wente Bros. vineyards, he says all the soils have been treated with nutrients. Soil fertility is not the most important criterion; "Soil structure is the most important factor -- we treat the soil in order to increase flocculation which enhances the soil's capacity to absorb nitrogen and water holding capacity." [Personal communication 8/20/93].

34. Peter Bowes, City Planning Commissioner testified in a hearing in October 1993, in which the issue was addressed by all constituents. See Livermore Independent edition 10/6/93 also cites the political issue.

35. An environmental checklist per CEQA rules requires that an explanation of "yes" and "maybe" answers be provided in addition to "no". "Yes" answers may be "potential impacts". All "significant effects" include a discussion of ways to mitigate the impacts, which may include but are not limited to changes in an area's air, water and land resources. A "significant effect" may also have a beneficial impact.

36. A project may impact on two or more separate resources where the impact on each resource is relatively small, but where the effect of the total impacts on the environment is significant. This is referred to as a "cumulative impact" whereas a "potentially significant" impact is based on criteria which go beyond a level of service (LOS) in a given project. Impact "fees" may also be levied for any man-made actions.

37. Barbara Stear drafted the statement in response to the Livermore Planning Commission to address the question of "soils" as a potential issue affecting the decision of the Commission to reword the General Plan. If Friends reject the Commission's final decision to reword the G.P.A. to a less than strict interpretation of SLVAP policy, it has recourse to appeal to the City Council in writing; either as a group or by individual petition. Friends, a chartered non-profit organization has long been in the forefront to educate the public and advocate strict land use policies; representing hundreds of citizens and business people who meet regularly and invite guest speakers and politicians.

38. Phil Wente addressed the Livermore City Council 8/12/93 and conveyed his views in a follow-up personal communication, 3/10/93. He is actively engaged in both City Council and Planning Commission hearings and is usually the spokesperson/public speaker for Wente Bros. Winery.

39. Pleasanton submitted its "Vineyard Avenue Corridor Specific Plan" in early 1993, but was withdrawn by the city council. The County's Plan called on both Livermore and Pleasanton to plan the "gateways" into the wine country, creating attractive paths to lead visitors; include a rerouting of Livermore Avenue and a 10 acre community park. While there is some opposition from property owners, most Friends of the Vineyard approve of it. A Citizens Committee studied the proposal and Pleasanton's General Plan Review Study was to be issued in June 1994.
40. Interview in the Livermore Independent (2/19/94). See also 10/6/93. Mr. Arthur Futch is a former Mayor of Livermore and has been advocating strict guidelines for allocating land uses based on soil types considered prime vineyard land and opposes any further developer proposals to build on such soils while replanting vineyards elsewhere.

41. In a letter and memoranda (6/18/94) from Patience Rogge, past President of FOV and one of the founding members, Ms. Rogge explains that the executive board felt strongly that "it was unfair and unethical to prevent landowners from having full use and enjoyment of their property. This is the point where we differed from the reactionary group with FOV." In summarizing its history as a citizen organization affecting policy-making in the Livermore valley, Ms. Rogge states: "internally, we first had to turn Friends of the Vineyards around from a basically negative organization which had as its creed that all development of any kind was a prima facie 'evil' to one that took a proactive, positive approach to promoting and supporting the Livermore Valley wine country." and "Externally, it was necessary to convince the winegrowers that we were serious, reasonable people who were interested in working with them for a common goal. We worked hard to convince the cities that they should think 'wine country' in their planning and civic promotions; we conducted an educational campaign to make the Alameda County Supervisors and staff aware of the benefits of keeping the Livermore Valley as wine country. We let the county and cities know that we were constantly monitoring all activities which impacted the wineries and vineyard lands. The original idea for the South Livermore Valley Area Plan came from us, as did the Land Trust."

42. Interview in Independent 2/19/94. Valerie Raymond was eventually appointed to the South Livermore Land Trust as a citizen at large.

43. Interview in Independent 10/6/93. See also Independent 2/19/94.

44. In a letter to the County, Livermore's Senior Planner Eric Brown stated his views and concerns, while applauding the overall benefits: "The three courses I have seen proposed for the area look like they will be a quality draw." He agrees the golf courses will do other things rather than attract golfers, creating a tourist destination; golfers and golf fans will become aware of the vineyards and the wineries. See EIR for Wente Course (1993).

45. Interview in the Independent 1/19/94. See also Independent 2/16/94.

46. Ben Tarver, Mayor of Pleasanton, interview in Independent 12/22/93.

47. The Bill AB 398, would merge ABAG, the Association of Bay Area Governments and MTC, the Metropolitan Transportation Commission creating a governing board of city and county officials, not with a "top-down approach" but with a "bottoms-up approach" says ABAG's planning director Gary Binger. He says: "It contains no sticks, just a bunch of carrots." It is a 'compromise' bill aimed at regional planning, which is in the Bay Area's future, whether the bill passes or not, according to its supporters. Pleasanton Mayor Ben Tarver is a firm believer in "local control" but supports the Bill "provided we don't give it coercive powers." He prefers "subregional authorities" like the Tri-Valley Council, a transit advisory body representing Livermore, Pleasanton, Dublin, San Ramon, Danville; Alameda, Contra Costa Counties.
48. Once the Planning Commission recommends to the City Council that the Environmental Document be certified and the project be approved, the staff are instructed to file a Notice of Determination with Alameda County; and thereby approve the General Plan Amendment. It is to be noted that any general plan amendment or zone change may not be conditioned, while a subdivision review can. All basic assumptions pertaining to the feasibility of the Project in question must be addressed in the Staff Report and a "negative declaration" to either approve or deny the project. In doing so, a planner (planning dept.) is making one of several basic decisions categorized at 3 different levels: (1) "legislative" eg., General Plan Amendment; (2) "quasi-judicial", a set of standards, eg., subdivision map; and (3) "ministerial" action, which prescribes a standards in issuance of a building permit. In the SLVAP, the Project, the General Plan Amendment is the main item on the agenda concerning the City of Livermore. It will be implemented by the Specific Plan, which may be another year in the making.

50. The "South Livermore Valley Study" intended a range of alternatives to landowners, but Livermore decided implementing "transfer development credits" would be too difficult to administer. A wide range of easement values could be found in the South Livermore Valley, depending on parcel location and attributes and the landowners expectations of development potential. This would be proportional to its proximity to urban uses, with higher values than an easement on lands farther away from the city. Landowners have an option of developing land at urban densities, in return for paying mitigation fees. The County stipulates fees should be based on a one-to-one ratio between the cost per acre for agricultural easements to the Land Trust and the net acreage of potentially cultivable soils less than 25 per cent slope lost to development.

Note: County staff recommend that "fees" should be adjusted annually to reflect changes in the CPI (Consumer Price Index). Alternatively, a landowner with agricultural land in the "Vineyard Area" of the Plan may choose to utilize the "density bonus" incentive and develop four additional home sites per 100 acres in return for planting and protecting the vineyards. The advantage of a Land Trust purchasing an easement is it can offer income and property tax benefits to the seller once an independent appraisal meets IRS standards if they are claiming a tax deduction for dedication of an easement. The problem with the TDC system is that the costs of administration would become infeasible.
Chapter 4:

1. After the County Planning Commission held a workshop on land trusts on April 19, 1993 the Commission recommended that the Board of Supervisors establish a nine member Land Trust Steering Committee to recommend a charter, board representation and organizational structure for the Land Trust for consideration by the Planning Commission and the Board of Supervisors. The Planning Commission made these recommendations with the understanding that the Steering Committee will not reflect the make-up of the Land Trust Board of Directors, which "the Commission believes should be as non-political and as broad-based as possible to be effective." Staff analysis of this agenda was submitted to the Planning Commission meeting May 17, 1993. They advised that the Committee should be limited in size, yet include representatives of all interested parties in South Livermore. This was concurred to by Friends of the Vineyards, who recommended that they be included as representative of Livermore's proactive citizen groups to preserve and enhance the valley's viticulture through a land trust mechanism.

The Land Trust Alliance summarizes the question: "What is a Land Trust?" "Land trusts are distinguished from other conservation organizations principally by their direct involvement in land transactions through which their conservation goals are realized. Most trusts hold and manage at least some of the open space lands they act to protect. Others focus entirely on the transfer of lands to other public and private entities. Sometimes a land trust is organized to protect a single piece of property, but the more active trusts try to affect land use patterns throughout their community or region."

2. The County's interest in preserving agricultural land is significant at a time when it is gaining renewed attention on both a national and state-wide level. Over a million acres of agricultural land are taken out of production each year in the U.S. In California, the nation's leading agricultural state, an average of 100,000 acres of cropland are being converted to urban uses yearly, according to the American Farmland Trust (AFT). Most lost farmland is highly productive, and it is being lost permanently to both residential and commercial uses. Once land has been developed for housing or industry, it is lost to agriculture forever because the soils that have supported development cannot again be made to support crops, primarily owing to soil compaction. The AFT has stated that no amount of plowing can restore such damaged soils to their original conditions.

Historically, most cities began in areas that had the best soils. San Jose', CA is a typical case. With renewed population projections, it is anticipated that the Central Valley will be the next major focus of urbanization affecting farmland. Projections now point to growth in the Central Valley at levels 50 per cent higher than the rest of the state. Fresno County, the nation's top agricultural county, is expected to triple in size to 2.5 million residents; adding to the intense pressures on state farmland. Two solutions to halt the loss of state farmlands have been submitted by the President of the American Farmland Trust: (1) Define and identity a critical mass of the very best farmland in the Central Valley; and (2) Secure a guarantee of an adequate supply of affordable irrigation water for prime farmlands.
3. Planning staff recognizes because South Livermore is one of the last remaining areas of significant cultivated agriculture in Alameda County, a land trust with an agricultural emphasis will be most active in this area. By contrast, the pending Draft East County Area Plan (1993) calls for the establishment of a non-profit Alameda County Open Space Land Trust "to acquire and convey lands within the public open space system to other public agencies" outside the proposed Urban Growth Boundary. The primary purpose of this trust would be to acquire public open space. As drafted, the County Open Space Trust and the South Livermore Land Trust would be separate entities, but could share administrative functions to save costs. Planning Staff analysis also advises that: "If only one County-wide Trust is established, there will be certain tradeoffs regarding efficiency, representation and focus ... (but) it could also result in a loss of focus on agricultural issues ... in the South Livermore valley." [Co. Planning Staff Analysis 4/19/93: 4]

4. The working concept of the Land Trust is credited to Patience Rogge, past President of the Friends of the Vineyards, (1990 to 1992) based on a carefully thought out policy formed by their Executive Committee, made up of Barbara Stear, land use expert; Bridget Borchers, legal and financial expert; and Ms. Rogge, who was in charge of communications and coordinator of the Livermore Wine Museum Fund (1983-1990).

5. Easements are recorded and future owners are bound by its terms. The landowner still retains "title" to his property. The economic value of an easement is: To determine the fair market value of the property without the easement restrictions ("before" value) -- using comparable land sales -- and to subtract from this value the market value of the property as restricted by the easement (the "after" value). The difference between "before" and "after" is the value of the easement.

6. While the proposed "South Livermore Valley Agricultural Land Trust" would be a unique creation in the Bay Area Region as well as in the State of California in terms of the dedication of conservation easements through mitigation fees, its legal formation is validated by the Marin Agricultural Land Trust, a successful venture in this legal realm of real estate products. The MALT is a private member supported non-profit organization created in 1980 by a coalition of local ranchers and environmentalists to help save Marin County's agricultural lands.

7. The legal concept of "development rights" is based on this fact: Full ownership of real property consists of "... a bundle of rights, such as the right to farm, to construct buildings, to subdivide the land, to extract minerals or to restrict access; these rights are only limited by previous legal restrictions and governmental regulations applicable to the property." [Marin Agricultural Land Trust 1992:2]

The right to build on real property is known as the "development right". When development rights are transferred to a conservation agricultural easement such as MALT, the specific restrictions regarding the amount and types of development that are given up are set forth in a legal document, a "Conservation Easement", which is recorded on the title to the property. By definition, the landowner places permanent restrictions on future uses of a land parcel in order to protect its agricultural character and productivity. An "easement" prohibits subdivision, non-agricultural residential or commercial development, and uses or practices destructive to the agricultural value and land productivity.
8. Obsolescence may occur, however, in the case of an agricultural easement on a parcel which, subsequent to the granting of the easement, is surrounded by suburban development. In other cases, severe flooding may remove the agricultural or resource value of the property. "The owner of the underlying fee interest may, due to surrounding development or natural events, be left with no viable economic land use. ... (the) problem can be addressed by providing for the amendment of the easement contingent upon a change in circumstances. Care must be taken, however, that any amendments are compatible with the underlying conservation purpose of the easement, lest the land trust violate its objectives and the landowner give the IRS cause to question the validity of any deduction taken." [Land Trust Primer 1992: 82]

9. Friends of the Vineyards consulted a land trust counsel, William Hutton, who advised the parties involved, including the developer, regarding County involvement, there should be no concern that the Board of Directors of the Trust would or could alter its charitable nature. "Once the Trust is incorporated as a California nonprofit public benefit corporation, the directors would have no power to use the Trust's assets for other than charitable purposes." [Memo to Signature Properties dated 2/29/91; in the FEIR 1992] By law, the resources of the Trust must be entirely devoted to the pursuit of public-benefit objectives; no amount of its income or assets may be devoted to activities which advance private interests. Nor is the land trust permitted to engage in lobbying activities or involvement in political activity; nor may the Trust be used as a vehicle to advance the economic interests of an industry group or a particular segment of the population in the area served by the Trust. This is known in the legal profession as the rule against "inurement" (private benefit). Observance of these limitations will be one of the demands on the sensitivity, judgement of the Trust.

10. The USDA Fish and Wildlife Service responded to the DEIR (in the FEIR) specifically: "We encourage the city (Livermore) to pursue use of South Livermore Valley Land Trust Fund to conduct biological surveys and identify parcels that represent important habitat for species of concern." The USDA recommends that instead of removing sensitive plants to other locations, identifying and protecting sensitive plant species is a more effective means of ensuring the long-term viability of the species. Funds should only be used for this purpose. DEIR states that expansion of cultivated agriculture and related development could result in the loss of riparian and wetland habitats. USDA responds by stating: "Since new rural residential and vineyard development may ultimately require a Corps permit, we suggest ... that you consult the Corps of Engineers." USDA encourages all efforts to protect, improve and restore fish, wildlife and naturally functioning aquatic and wetland ecosystems. USDA reminds the parties to the Trust that the Council of Environmental Quality regulations for implementing the National Environmental Policy Act define "mitigation" to include: (1) avoiding the impact; (2) minimizing the impact; (3) rectifying the impact; (4) reducing or eliminating the impact over time; and (5) compensating for impacts. USDA maintains that the best way to mitigate for adverse biological impacts is to avoid them whenever possible. The fact is, as stated in the DEIR, "no mitigation measures are available for general habitat loss from agricultural expansion." Barry Schrader, of the Fertile Crescent Coalition, testified in Planning Commission hearings that the Land Trust should not pay for mitigation requirements such as biological surveys; the developer should. [FEIR 1992: II-12, 13; 160] [DEIR 1992: E-19]
11. According to an Economic and Planning Systems cash flow analysis, which relied mostly on vintners in the Livermore Valley, a small vineyard will produce a net annual return, once the vines are established, of approximately $1,000 an acre. This analysis is based on an average yield of four tons of grapes (e.g. Chardonnay) per acre. Cash flow analysis confirms that the market segment for 20-acre vineyards will not be first time farmers or vintners, but could be "estate growers" who sell their crop to wineries. The growers have a contractual responsibility to maintain their crops according to the standards of the winery that purchases the grapes. The EPS study recognizes that "this situation may work well in the Livermore Valley area and is already a requirement of the approved Crane Ridge development." [EPS 1992: III-4]

12. Alameda County Planning estimates there are about 9200 acres of land in the South Livermore Valley Area Plan still under Williamson Act contracts. While 60 per cent of the original study area surveyed by Livingston remains subject to Williamson Act agreements, recent non-renewal notices have increased the portion on which contracts will expire by 1999 to almost 16 per cent (of the 60 per cent). An evaluation of the Williamson Act contracts with other methods shows it has the benefits of low administration cost (record keeping); it does not rely on economics, is equitable to landowners; no adverse environmental effects; is consistent with agricultural demand. [Livingston 1989A:15]

13. The State Coastal Conservancy conducted a study on agricultural land trusts by request of the State legislature and could find "no clear or measurable differences between those counties that have agricultural land trusts and those that do not." The study found that there are certain components of success for land trusts if they are provided with the following: financial support; receptive local agricultural leaders and landowners; supportive governmental policies; a committed and competent land trust board and staff; and access to information about long-term agricultural protection techniques. The study examined MALT, the Peninsula Open Space Trust of San Mateo (POST) and the Sonoma Land Trust. While MALT is a single-purpose private farmland trust, the POST and Sonoma Trust are both County-wide. In all three cases, the trusts received public funds for its acquisitions from the State Conservancy. Once they received funding they were able to complete agricultural projects that did not rely on State Conservancy for financial support.

14. Citizen input in the FEIR hearing process strongly expressed the view that the DEIR was incomplete without an economic analysis, and that an economics study also needs to look at the Land Trust. The Plan proposes a set of policies for viticulture, the success or failure of which will depend on the economics of development. But the economic model used in developing the proposed plan was not tested. Planning Commissioner Bob Silva of Pleasanton testified that "Because the proposed plan uses mitigation measures that depend on the economic feasibility, an economic study must be part of the EIR, and that it would be necessary to certify the EIR..." This view suggests that the EIR is not complete without an economic analysis of the total impacts of the Plan and lacks precise definition without testing the economic model for the region and market area in question. [Note: certification does not mean project approval, only all environmental information is presented to decision makers and public.] [FEIR 1992: II-161]
15. Because the exact timing and location of future development is dependent on Plan implementation (which requires the Land Trust to be in operation), the EIR emphasizes an environmental analysis of all basic policy considerations, regional influences, cumulative impacts, and growth-inducing impacts, using a worst-case projection of the effects of full development on the land. Following the adoption of the Plan, individual development projects within the Plan Area will be subject to subsequent EIR review by the County or the city under whose jurisdiction the actions occur. Depending on the project under review, this document is the basis for determining if a Negative Declaration is sufficient or that a further EIR will be necessary, permitted under CEQA.

16. The "build out" estimate of $8.5 million from Ruby Hill is based on the fixed cost of development fees per housing unit, namely $10,000 per every 850 projected units. Assuming maximum absorption rates and based on Plan policies, total mitigation fees raised in the Plan Area could total $16.6 million from a combination of the Ruby Hill Project ($8.5 million), the Transitional Areas ($3.1 million) and Urban Development in the Vineyard Area ($5.0 million). The Land Trust could use the $16.6 million in fees to plant and/or protect additional vineyard acres. Mitigation fees are twofold: (1) $10,000 per developed acre or (2) $10,000 per urban unit. (County assumed that half the urban mitigation land is subdivided into 20-acre parcels and 2 acres of vineyards per parcel are subtracted for the homesite.) [See Table 4.1]

17. Property possesses agricultural, open space, and scenic values of importance. The agricultural values, character, use and utility and the open space and scenic values of the property are referred to collectively as "the protected values". To engage in any and all agricultural uses of the property in accordance with the easement, agricultural uses are defined as: breeding, raising, pasturing, and grazing livestock for the production of food and fiber; breeding and raising bees, fish, poultry and other fowl; planting raising, harvesting, and producing agric/aqua/horticultural and forestry crops and products; and the processing, storage, and sale of crops and products harvested and produced principally on the property. All agricultural uses are provided only if they do not result in significant soil degradation, pollution or degradation of (sub-) surface waters.

18. The EPS report suggests, "... faced with an all cash purchase offer for the easement from a developer seeking mitigation, or from the Agricultural Land Trust, many landowners would prefer the certainty of the cash offer for the easement now, over the risk and uncertainty of subdividing and marketing five 20-acre vineyard parcels over an indefinite time period. It is reasonable to assume that based on the time value of money there will be the equivalent to a 'cash discount' for the sale of the easement." [EPS 1992: V-3: Draft Report]

19. The Steering Committee included representatives from the County, Livermore, Pleasanton, Friends of Vineyards and Livermore Winegrowers Association. They included: Alameda County Supervisor Ed Campbell, Commissioner Ellen Paisal, Commissioner Ario Ysit; Livermore Mayor Cathie Brown, Councilmember Ayn Wieskamp (alternate), Commissioner Lorraine Dietrich; Pleasanton Councilmember Tom Pico, Commissioner Sherrill Michelotte; Friends of Vineyards John Innes; and Livermore Winegrowers Steven Kalthoff.
20. Discussion concerning representation of the Board ranged from emphasis upon agricultural to environmental interests. A suggestion was made that one member of the Governing Board should be representative of the financial institutions since substantial amounts of funds will be involved and its management will be critical to the establishment of a "track record". While Chairman Ed Campbell felt a 5-member Governing Board would suffice, including the three jurisdictional members and two representing the Friends and Winegrowers, respectively, he was outvoted by a majority favoring a seven member make-up, with the additional two members appointed at large from the Board's governing body of three members. The 5-member proposal was advocated by Pleasanton Councilmember Tom Pico and supported by Ed Campbell. Steve Kalthoff of the Winegrowers Association favored 7 members and gained broader support for that number. However, it was agreed to in principle that it was not the number of members on the Board that was important, but the constitution of the Board.

Note: A staff suggestion was that "if you have a five member board, the members are more likely to come to the meetings. If you have seven, it's less likely." Trust members would have two full 4-year "non-revokable" terms. The Board make-up formula of 3+2+2 is submitted to the Board of Supervisors for their final consideration and vote.

21. Sources of information for evaluating and completing conservation land transaction include the following: (1) Professional appraisers; (2) Local lenders/Real estate brokers; (3) Title insurance companies; (4) County Recorder's office; (5) County Assessor; (6) Local Planning Commissions (Dept.) and (7) Soil Conservation Service. This is only a partial list of lead references.

22. According to Section 170(C) of the Internal Revenue Code, the term "charitable contribution" means a contribution or gift to or for the use of a State, a possession of the U.S., or any political subdivision ... a corporation, a trust, or community chest, fund, or foundation: "organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes ... which is not disqualified for tax exemption under section 501 (c)(3) ...". According to IRS Code Section 170 (h) of the Internal Revenue Code, "qualified conservation contribution" means a contribution (A) of a qualified real property interest (B) to a qualified organization; (C) exclusively for conservation purposes; The latter is defined in general as "conservation purpose", meaning (i) the preservation of land areas for outdoor recreation by, or the education of, the general public; (ii) the protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystems; and (iii) the preservation of open space (including farmland and forest land) where such preservation is (1) for the scenic enjoyment of the general public and (2) pursuant to a clearly delineated Federal, State, or local governmental conservation policy, and will yield a significant public benefit ... ." A further code is that a "conservation purpose" must be protected in perpetuity. In California, the Trust would be incorporated as a "California Non-profit Public Benefit Corporation" and formed under the State's Nonprofit Public Benefit Corporation Law "for charitable scientific, literary and educational purposes and it shall be nonprofit and nonpartisan."
23. In choosing which acres to save, such "compatibility also helps to assure a land trust of a cooperative relationship with local government. The latter follows from a public agency perception that the land trust is working to implement or support local policies." Also important is the case of a "cash purchase". A land trust cannot generally commit to case purchase of land interests without assurance that they can generate the necessary funds (either to fund the acquisition itself or to repay a lender or an in-house revolving fund). Consequently, the trust "should approach cash purchase transactions just as a developer would approach a commercial deal, by looking carefully at its financial feasibility. In addition, land trusts should consider acquiring an option on property." [State Coastal Conservancy 1989: 72]

24. Depending upon the easement's terms, monitoring may take the form of a combination of "on-site" and "aerial inspection", the latter of which are useful in monitoring large acreage. While a photographic history is practical and useful, an on-site inspection of at least once a year is absolutely essential. A trust should notify the landowner of impending site visits and obtain the landowner's written verification that a site inspection has been completed. The fact that donated endowments are tax deductible is an important selling point. Active land trusts may establish monitoring "endowment funds" which are accumulated both from specific endowment donations and general contributions.

25. Bill Hobbes, chosen as the Board of Directors Chairperson is the former Director of the Appalachian Land Trust. Barbara Stear, one of the founders of Friends of the Vineyards and current President, is the acknowledged land use expert. John Innes is a FOV member and former officer and has been much involved in Pleasanton land use issues. Lois Lutz has been active in the city of Pleasanton master plan studies and has a background as a negotiator. Steven Kalthoff is a major vineyard owner and past President of the Livermore Winegrowers Association, and still very active in local political activities.

26. The original draft mission statement was composed to the wording of "To permanently protect productive and potentially productive cultivated agricultural lands in the South Livermore Valley"; objections arose, however, to the preponderance of "p's" in the phrase and the Steering Committee voted to reword the introductory "primary objectives and purposes of the corporation".

27. Organizational structure reflects the basic recommendations which the County Board of Supervisors approved in principle. The actual working agenda of the Trust will be guided initially by planning staff and participate in seminar training sessions by experienced trustees. After a year, the SLVLT should be located with its own office and staff.

28. The Mission and Operations Statement outlines the goals for which the Trust is mandated to fulfill its "strategic plan" and reflects the original version for the most part. It was basically a question of wording the extent and operation of the Trust in a regional context.

29. Formal charter, as required under non-profit 501 (c) 3 guidelines was approved by Alameda County unanimously with no changes in text.

30. By-laws are necessary to the operation of the trust and are drafted as "boiler-plate" from the Trust for Public Land as the working model.
Chapter 5:

1. Ed Campbell, Chairman of Alameda County Board of Supervisors. Personal communication 5/1/93.


5. Steven Kahltoff. Personal communication. Letter/Memo 5/30/93.


9. Quoted in the Livermore Independent 8/18/93.

10. Thomas Coyne, personal communication, 3/21/94.

11. President of Wente Bros., in the Livermore Independent 8/18/93.

12. Thomas Lane, Winemaker of Concannon Vineyards, pers. comm. 4/20/94.

13. Chandler Lee, planning consultant to Alameda County; in response to question in meeting with the Friends of the Vineyards, May 1992. He supports the idea of experimental vineyards in a land trust. [note: In UC Davis experiments, the higher levels of solar energy compared with French wine areas is the reason California vines maintain quality with higher yields. If vines are vigorous and leaf shading common, for example, it will be difficult for the vine to ripen its fruit to the optimal acid-sugar ratio to produce premium wines. All such variables are environmentally linked.]


15. Archer Futch, former Mayor of Livermore, is the more conservative spokesperson regarding projected development caps for Livermore.

16. Eric Brown is the facilitator for the CAC with City of Livermore. Quotation in the Livermore Independent magazine, Jan. 24, 1994

17. Editorial comment in the Livermore Independent 1/24/94.


19. Interview of John Schwartz, Vice President, international operations for Wente Bros. and Eric Wente's (President) efforts, in the Livermore Independent 2/9/94.


22. See Fulton (1991) Guide to California Planning, pp. 265-285. (Mr Fulton comments that cities could engage in novel programs such as trading land uses, etc. as part of new strategies to resolve planning dilemmas. Together with drafting conservation easements, a land trust, and a regional Plan, Livermore can be an innovator and in the forefront of reforming planning process.)

Most all agree that several measures of reform in the planning process must be enacted: 1. The State of California must somehow curtail and change the pattern of auto-oriented suburban style growth, at least in the existing "metropolitan" areas; 2. Citizen participation must be channelled into useful and constructive forums; 3. The parochial nature of local land use decision-making must be reformed; 4. Fiscal incentives to create unbalanced communities must be removed; and 5. "Elitist" planning agendas in many communities must be abandoned.
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[Organized in three categories]

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(Featuring The Ruby Hill Vineyard Co. and Winery)

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Livermore Herald. "Grapes advancing; growers are jubilant & hopeful for future grape crop will be short; recent hot weather worked much injury." September 23, 1899. p. 4.


Livermore Herald. "Results of the years vintage." November 18, 1899. p. 6.


Livermore Herald. "Vintage of 1903 is practically over; one of most successful the Valley has ever known...." November 7, 1903. p. 1.


Livermore Herald. "Large acreage of vines is being planted [list of who & what]." February 18, 1911. p. 7.


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Livermore Herald. "Vineyards of Calif. must not be destroyed by prohibition [prize essay by Elsie Jean Barber]." October 14, 1916. p. 3.


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