

Arroyo Grande, California
July 8, 1987

Director
Bureau of Alcohol, Tobacco and Firearms
Department of the Treasury
Washington, D.C. 20226

RE: Petition for Establishment
of Viticultural Area-
"Arroyo Grande Valley"

Dear Sir:

The undersigned wine grape growers and winery operators situated in Arroyo Grande, San Luis Obispo County, California herewith petition for the establishment of a viticultural area described herein to bear the name "Arroyo Grande Valley".

1. EVIDENCE THAT THE NAME OF THE AREA IS LOCALLY
OR NATIONALLY KNOWN

The Arroyo Grande Valley is a well defined valley oriented along a Northeast-Southwest axis in southern San Luis Obispo County. It contains the incorporated city of Arroyo Grande. The Arroyo Grande Valley is known nationally as a vegetable producing area. The valley takes it's name from the name of the rancho granted to Zefarino Carlon in 1842. Prior to the Mexican land grant era, portions of the Arroyo Grande Valley were used as a farm for the San Luis Obispo Mission.

The first vineyards of commercial importance in the Arroyo Grande Valley were established in 1880. There are at present four vineyards totaling approximately 350 acres of grapes. There are three wineries in the Arroyo Grande Valley. They are Maison Deutz, Saucelito Canyon Vineyard and Talley Vineyards.

Exhibit 1 is an extraction from the History of San Luis Obispo County concerning the Arroyo Grande Valley and the town of Arroyo Grande:

"The Arroyo Grande Township was established in the year 1862 by the Board of Supervisors of San Luis Obispo County and embraces all of the county situated between the Corral de Piedra Creek on the north, and Santa Barbara County on the south, the Santa Lucia Range of mountains on the east and the Pacific Ocean on the west, containing over 300 square miles of territory, and over 1000 inhabitants.

The priests of the mission of San Luis Obispo established a garden and plantation here, about year 1780, on that portion of the Arroyo Grande bottom now owned by W. S. Jones. Here large quantities of corn, beans, potatoes, etc. were raised to supply food for the mission.

The Arroyo Grande Rancho was granted to Zefarino Carlon, April 25, 1842, and by him transferred to F. Z. Branch."

The first wine produced in the valley was produced by the St. Remy winery, located at the site of the present Saucelito Canyon Vineyard. St. Remy was established in 1880 and produced wine until prohibition. St. Remy Winery identified itself as being from Arroyo Grande. Saucelito Canyon Vineyard has restored many of the original vines and portions of the vineyard.

The existing wineries are all recently developed. The oldest, Saucelito Canyon Vineyard, was bonded in 1982. Maison Duetz was bonded in 1983 and Talley Vineyards was bonded in 1986. Saucelito Canyon Vineyard and Talley Vineyard both plan estate bottlings using Arroyo Grande Valley on their label to distinguish their wines from those of other parts of San Luis Obispo County.

2. EVIDENCE THAT THE BOUNDARIES OF THE PROPOSED VITICULTURAL AREA ARE AS SPECIFIED HEREIN

The Arroyo Grande Valley viticultural area as proposed includes substantially all of the drainage of the Arroyo Grande creek. The Arroyo Grande creek begins in the Santa Lucia Mountains and flows southwesterly to the ocean. Along its route it is joined by the Lopez Creek, Tar Springs Creek and Los Berros Creek.

The proposed viticultural area does not include that part of the Arroyo Grande Creek watershed southwest of the city of Arroyo Grande because the valley floor there is totally taken up by vegetables. The summer climate there is more influenced by cool summer fog and wind and is probably not suitable for grape growing.

3. GEOGRAPHICAL AND CLIMATIC FEATURES WHICH DISTINGUISH THE PROPOSED AREA FROM SURROUNDING AREAS

The Arroyo Grande Valley is distinguished from the surrounding area of San Luis Obispo County in several ways. The primary distinction is the climate. The climate ranges from high Region I to Region II as classified by the University of California system of heat summation. The Arroyo Grande Valley is situated on an axis of approximately 220-040 degrees and is protected on the northwest side by a range of mountains ranging in elevation from 600-2000 feet. Both the Edna Valley viticultural area to the north and the Santa Maria Valley viticultural area to the south

are oriented on an axis of approximately 290-110 degrees. The climate in the months of March through May is dominated in the entire area by a very strong onshore air flow generally blowing out of 280-300 degrees. This wind is cold and has an effect on the early season growing and fruit set of the grapevines. Because the Arroyo Grande Valley is shielded by the mountain range on the northwest side, the affects of the onshore air flow are moderated. Grapes grown in some parts of the Arroyo Grande Valley appear to mature significantly earlier than those grown in the two adjacent areas. The summer climate (June through August) continue to be dominated by the maritime influence but the winds are of less velocity and the marine air produces frequent morning and evening fog. This distinguishes the Arroyo Grande Valley from the inland grape growing areas of San Luis Obispo County which are not open to the ocean and have much higher summer temperatures and colder winter temperatures.

EXHIBIT II (attached) consists of records of summer heat summation units taken from data from the Upper Arroyo Grande key station of the National Weather Service, National Oceanic and Atmospheric Administration, for the past five years.

Climatic conditions in the Arroyo Grande Valley are favorable for growing wine grapes. The valley experiences a long dry moderate summer season and a mild winter season. The average rainfall is about 20 inches with about 80% of the rain falling between December and March.

The valley floor ranges from sea level to 400 feet above sea level. The proposed viticultural area takes in higher elevations which are part of the drainage of the Arroyo Grande Creek. Present grape plantings are on low hills adjacent to the valley floor. It is anticipated that future vineyards will follow this trend as vegetable growing is well established on the level areas of the valley. It is expected that future vineyard development will take place on rolling hills or small valleys between elevations of 300 to 1000 feet. A limiting factor to some locations will be the availability of adequate water for irrigation and frost protection.

The appropriate maps for determining the boundaries of the Arroyo Grande Valley viticultural area are four USGS maps:

1. "Arroyo Grande, NE, Quadrangle California,
San Luis Obispo County"
7.5 minute series.
2. "Tar Spring Ridge Quadrangle California,
San Luis Obispo County"
7.5 minute series.
3. "Nipomo Quadrangle, California
San Luis Obispo County"
7.5 minute series.

4. "Oceano Quadrangle, California,
San Luis Obispo County"
7.5 minute series.

The beginning point is Corbett Canyon Road the point where it leaves the corporate boundary of the City of Arroyo Grande. From the beginning point the boundary runs:

Northerly along Corbett Canyon Road to the point where that road enters the Edna Valley Viticultural Area, being the 400 foot contour line of the Canada Verde.

Easterly along the 400' contour line to longitude line 120 32'30"

North on longitude line 120 32'30" to the 600' contour line of the Southwestern flank of the Santa Lucia Mountain Range

Easterly on the 600' contour line of the Southwestern slope of the Santa Lucia Mountain Range to its intersection with upper Arroyo Grande Road, following upper Arroyo Grande Road to the intersection of Lopez Lake road.

Northerly on Lopez Lake road to the point where it crosses the 800' contour line of the Arroyo Grande. Northeasterly along the 800' contour line of the Arroyo Grande to the Range line R 14E/R 15E to the 1000' contour line of the Arroyo Grande.

Circumscribing the upper Arroyo Grande creek drainage and Saucelito creek drainage on the 1000' contour line to Saucelito Ridge at the intersection of the 1000' contour line with township line T 31S/T 32S.

West on township line T 31S/32S to range line R 14E/R15E.

South on range line R14E/R15E to a point where that line intersects a line drawn between the intersection of Highway 101 and Los Berros Canyon creek and Stanley Mountain Peak, that line being the northern boundary of the Santa Maria Valley Viticultural area.

West on the line between Stanley Mountain Peak and the intersection of Los Berros Canyon Creek and Highway 101 to the intersection of that line with the Los Berros - Arroyo Grande Road. West on the Los Berros - Arroyo Grande Road to the Southeastern corporate boundary of the City of Arroyo Grande.

North along the eastern corporate boundary of the city of Arroyo Grande to the point of beginning.

Petitioners submit that the proposed viticultural area is distinguished from adjacent areas and inland parts of San Luis Obispo County by climatic variations, particularly spring-time winds and summer temperatures and by unique geophysical characteristics. The area has long been known as the Arroyo Grande

Valley and is emerging as a distinct grape growing region and the name Arroyo Grande Valley is the most appropriate name for an approved American viticultural area.

Petitioners believe that the establishment of the Arroyo Grande viticultural area will help consumers to recognize this unique winegrape growing region. We believe that it is also important that the Arroyo Grande viticultural area be established to close the gap that exists between the two existing cool climate grape growing regions of San Luis Obispo County, namely, Edna Valley viticultural area to the north of Arroyo Grande Valley and Santa Maria Valley to the south of our proposed region.

It is requested that the Bureau institute the necessary proceedings to have the area described herein designated as a viticultural area bearing the name "Arroyo Grande Valley".

Correspondence relating to this petition should be addressed to:

Don Talley
Talley Vineyards
[REDACTED]
Arroyo Grande, CA. 93420

Respectfully Submitted,

[REDACTED]
Saucelito Canyon Vineyard
1600 Saucelito Creek Road
Arroyo Grande, CA. 93420

[REDACTED]
Talley Vineyards O