

June 1996—McCall Society

## *Land Use Law and the Success of the Dundee Hills*

Speech by David Lett

I am honored to have this opportunity to address the McCall society today.

When I moved here in the mid-sixties with 3,000 grape sticks and a theory, I had a dream and convictions. I soon learned that I had come to the right place, not only agriculturally but politically. Tom McCall was about to begin his first term as governor of Oregon. Here was a governor of my newly chosen home who had ideals which often transcended politics and sometimes got him in trouble because of that. However, Tom's ideals were based on an intrinsic love for the State of Oregon, something he carried with him throughout his terms in public office and to his death. His ideals gave us the land use laws which have kept Oregon—OREGON. I wish he were here today, because at no time in Oregon's history are we in greater danger of losing what has made Oregon great. Fortunately we have, at this critical time, another great governor, John Kitzhaber, who radiates the idealism and vision which has made Oregon what it is and what it can continue to be.

But, I was asked to give you an overview of winegrowing in Oregon. So here goes:

Although there are plantings in other parts of Oregon, the focus of Oregon winegrowing, has been in the cool Willamette Valley and, in particular, Yamhill, Washington and Polk counties. The Willamette Valley in 1995 accounted for almost 80% of all grapes crushed in Oregon, with 32% from Yamhill County. The value of harvested grapes of the 1995 Oregon vintage has been placed at just over thirteen and a half million dollars. A minimum FOB winery value added for wine produced from the 1995 grape crop is in excess of 55 million dollars with almost 20 million of that produced in Yamhill County. Add to that the economic value to the county in terms of tourists attracted to the beauty of the wine country, and add support industries, from farm equipment dealers to motels and B and B's and restaurants, to truck drivers or printers and the value of the current wine industry to the Yamhill County is probably around 50 million dollars annually...and this is a rapidly growing agricultural industry that didn't exist in Oregon just 30 years ago!

But back to basics. It was in Yamhill County that my wife and I planted the first European winegrape vineyard in the Willamette Valley...The Eyrie Vineyards. The history of Willamette Valley viticulture essentially began with The Eyrie Vineyards in 1966. But my reasons for coming to Oregon to plant European wine grapes go back a bit further to some unlikely twists and turns of fate and luck.

Actually, my life has taken many curious turns. The day I was born I believe that my grandfather (who helped deliver me) stamped "DOCTOR" on my forehead right after he slapped my bottom. (Or was it the other way around--I don't remember).

After graduation from the U of Utah with a degree in philosophy and pre-med, I applied to dental school. That turned out to be one of the best things I've done in my life--for it was after an interview at a dental school in San Francisco one rainy January day in 1961 that I decided to take a drive up to the Napa Valley--just on a whim--but by the end of the day I was hooked on the wine business...the "romance of it all". At some point during that day I heard about the University of California's program in viticulture and enology (grape-growing and winemaking). I applied to UC Davis and was accepted.

During my two years at Davis obtaining a degree in viticulture, I was introduced to Pinot noir (a wine unknown to me during my upbringing in Utah). My first taste of a French Burgundy at Davis was a revelation--"This is what wine is all about!" "This is why I am here!" I began to focus my attention on this variety, tasting all I could get my tongue around. The differences between the French and the Californian Pinot noirs were incredible. The French had the decided edge in complexity, finesse and flavor--but why? I had been taught that California wines "were all things to all people" and that "all varieties do well in the warm California climate." Maybe so--but not Pinot noir in my book. This was reinforced by an enology professor at Davis who said during a lecture, "There are few, if any, climates in California

cool enough for Pinot noir.”

I decided that the key was not winemaking technology. The answer had to be in the raw material--the grape itself--and the climate in which the vine is grown. So I began to study the climate of Burgundy and try to match it to other regions of the world. The possibilities narrowed to the South Island of New Zealand, and the Minho region of Northern Portugal, but I always found myself coming back on paper to Oregon's Willamette Valley.

After graduation from Davis in January of '64 I sailed off for Europe armed with letters of introduction and a lot of questions. The secret I discovered was really no secret at all--it had evolved empirically over the previous 10-15 centuries of grape growing in Europe. Grape growers are farmers and farmers don't normally go looking for more trouble than Nature always provides. This perverse bunch of European grape farmers, however, kept growing certain varieties in regions where grape maturity is in doubt almost every year. Why? The secret is that where grape maturity coincides with the very end of a cool growing season, the wines made from them are the best the variety can produce. By the way, this is the same 'secret' which gives the Willamette Valley the most flavorful fruits, nuts and berries in the U.S.--perhaps the world.

With this revelation confirming my Davis theories I returned to California, gathered 3000 cuttings of Pinot noir and other related varieties and headed off to the Willamette Valley of Oregon to make the "Great American Pinot Noir."

In the retrospect of 30 years, this was a decidedly stupid thing to do...I'd never even visited Oregon! But...when you're a 25-year-old idealist with a well-nurtured theory, the thought of failure just doesn't register.

And then came reality. When I arrived in Oregon in January of 1965 the Willamette Valley was a lake--awash under some of the worst flooding in history (kind of similar to last month in fact). I hadn't read about this in the weather records and I've since found out, as all the natives here know--there is no typical Oregon weather. But I was in Oregon now and there was no turning back.

I settled in Silverton and found a small plot of ground to rent and planted the cuttings to let them root for 2 years while I searched for the ideal vineyard site.

In order to pay the rent and quell the rising spectre of hunger, I took a job in a Salem berry nursery bundling rootings for 75 cents an hour. By Spring I was promoted to tractor driver at \$1.25/hour. While this was a great promotion I knew it wasn't going to pay for my long term goals.

Then luck intervened again. A job selling college textbooks became available. The job was great--not great money--but an academic working year--namely summers free to work the vineyard. I kept this job for 8 years and it sustained our efforts of getting the vineyard and winery going.

But in 1966 I still had found no vineyard site. For almost two years I had searched the Willamette Valley for the perfect site. The Dundee Hills had attracted me from the beginning but I rejected them again and again because at that time there was no land use planning in the State and the subdivisions were beginning to "slurb" all over the so-called "view land" on the hillsides outside of Newberg and Dundee. Excellent potential vineyard land was available there, but it seemed only a matter of time--a short time in the life of a vineyard--before it would be overrun by houses. But in August of 1966 I heard about a 20 acre site near Dundee. It was letter perfect--just what I had been looking for! I just blocked from my mind the subdivisions 3 miles away and brashly bought it concluding that the value of hillside grape land would eventually be greater than "view land" for houses. In essence I drew the "Pinot Line" hoping it would last longer than France's ill-fated "Maginot Line". Today the subdivisions are still 3 miles away thanks to good land use planning. Actually we do have a French Pinot Line in the Dundee Hills now, in the form of a winery and vineyard owned by the Burgundian producer, Robert Drouhin. Drouhin's attention was directed toward Oregon in 1980 when in a blind tasting in France one of our wines came in 2nd against an impressive array of his own Burgundies. Robert is convinced that Oregon is the only other place in the world besides Burgundy where Pinot noir belongs. He's so convinced that he has put an estimated 10 to 12 million dollars into this Oregon project. Of course, when you realize that the price of an acre of prime vineyard land in Burgundy can cost around one million dollars, the Dundee Hills

must have looked very attractive.

Our own project was, shall we say, a bit more modest than Drouhin's. In 1970 when our first crop was about to become reality I tried every possible source of money to finance a winery at our vineyard. I needed \$30,000 for Phase I, but in 1970 everyone thought I was crazy—especially moneylenders. The polite but typical response was “your project sounds interesting” (read that ‘crazy’) but we have no venture capital to loan.”

Luck again intervened and at the last minute I was able to rent a 25 by 40 foot room in the former Swift and Co. turkey processing plant here in McMinnville for \$25.00/month. That, together with \$2,500.00 worth of mostly makeshift equipment, and we had a “winery”! Two years later, Diana and I bought the entire building and it's still our winery. We haul our grapes eight miles from our vineyards in the Dundee Hills into McMinnville every autumn.

However without land use laws neither our venture, nor Drouhin's, or any of the other vineyards and wineries now in Yamhill County would have been possible. Land use planning has slowed the process sometimes called “growth” that might have covered most of our best potential vineyard sites in asphalt and houses by now.

The challenge will be how we deal with future growth—and the pressures to change current land-use law. Urban areas show an eagerness to expand their urban growth boundaries, and so-called “secondary lands” are an ongoing hot topic, with continual requests to allow more and more non-agricultural uses on these so-called secondary agricultural lands.

Oregon's land use laws have played an important part in helping to differentiate Oregon from other states and have indeed helped form the identity of Oregon as a place where natural resources are treated with a certain amount of respect. No wonder so many people from out of state are moving here.

But this picture of Oregon is changing. Everybody still wants to own their own home, if not on a five-acre plot, at least a 5000 square foot lot. There simply is not the land capacity for this to happen unless we short-change ourselves by taking open spaces, forest, and farmlands away from their current use. The result could likely be a sea of subdivision apartment complexes, shopping malls and video stores which have proliferated over the past few years—a sea nothing like the green we associate with the beauty of western Oregon. In order to preserve those agricultural and public-use areas, people will have to make the trade-off of living closer together in those areas already dedicated to urban use—and well planned urban areas can be wonderfully livable.

As for the issue of secondary agriculture lands I might mention that in 1974 when Yamhill County was putting together its first comprehensive plan, the hillsides were considered secondary land and therefore the place for the subdivisions of the future to go. David Adelsheim, Dick Erath and I almost camped out in the planning department office and managed to convince them that there was a wonderful potential for a heretofore-unknown crop in Oregon and the planning department had the foresight to save those hills for viticulture. However 22 years later (déjà-vu) we are again hearing that the “houses ought to go on the hillsides.” Here we have an industry in place which has brought jobs and prestige to Yamhill County not to mention adding about 50 million dollars to our local economy—and they want to replace this industry with houses?! I have never seen a more vivid example of the attempted killing of the goose that is laying the golden egg!

As population pressure mounts in Oregon, long-term vision has to be reinforced, not weakened by our legislators, and county commissioners and planners. Oregon agriculture must be cherished and protected by an informed public and public officials. The potential of Willamette Valley agriculture, not just viticulture, is immense. I've heard berry growers, walnut farmers and orchardists say, “We just can't compete with California.” Well, if we're talking about growing huge tonnages of perfectly shaped, totally flavorless strawberries, no we can't. But properly packaged and marketed, our “agriculture of flavor” can be even more of a mainstay of the Oregon economy than it has been for 150 years. The potential of Oregon agriculture has not even begun to be tapped, especially in the value added commodities, and wine is but one example.

The green hillsides and valleys of Yamhill County attract tourists. Yamhill County is a beautiful place because of agriculture and viticulture. We need only look to our neighboring states, Washington to the north and Baja Oregon to the south to have vivid living proof of what we will look like if we allow our land use laws to be weakened or continually violated. (Did you know that 45 years ago Los Angeles County boasted the nation's highest agricultural production? Just 45 years to become a sea of subdivisions and choked freeways—something to think about).

We need to draw another line, a line against uncontrolled growth. We need to see ourselves as what we are--the last frontier. Oregonians new and old have to have the vision to realize that this is it--we can no longer enjoy the prerogative of our forebears and "cut, build and move west"--because the end of "west" is 50 miles from here--the ocean. We need to realize that an increasing population needs to be fed, not housed on top of some of the worlds finest agricultural land.

Oregon is a unique place, but it is also a fragile place. We can grow and still retain much of what we have in terms of quality of life, but this growth has to be done with restraint and with wisdom and a respect for what we leave to future generations. The mechanism to do this is in place now, although it is being jeopardized in every legislative session. Our land use laws are the most innovative and I'd like to say the most effective in the country, indeed they are a model for the more progressive states. No innovations or radical adjustments are necessary. The laws are in place, they need to be respected and strengthened.

I'd like to close with a quote from our late Governor Tom McCall—the man whose love of Oregon with its attendant vision and foresight for Oregon—made it possible for a wine industry to flourish.

"In the chase for unreasonable profit," Tom said, "sound land use theories are trampled, making some of us wonder if we might awaken someday to find we don't want to live here anymore."

I for one, like this community of McMinnville and this county, and intend to stay, so please forgive my zeal—it's well intended. Again, many thanks to the McCall Society for asking me to speak today.